

Changing Role of S.E. Asian Women

The Global Assembly Line and the
social manipulation of women on the job



Changing Role of S.E. Asian Women

SOUTHEAST ASIA CHRONICLE No. 66—Jan.-Feb. 1979

PACIFIC RESEARCH Vol. 9 No. 5-6 —July-Oct. 1978

About This Issue	1
Women's Place in the Integrated Circuit	2
'Hospitality Girls' in the Philippines	18
Orchestrating Dependency	24

Special editorial assistance

from Elna Bruckhorst, Yuri Kondo, Anna Lowenhaupt,
Maznah Mohamad, and David O'Connor.

Special production assistance

from Archetype and Ann Flanagan (typesetting),
Art Graphics (photo services), and Inkworks (printing).

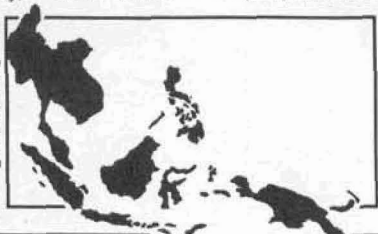
Cover photo: Jerry Elmer

The Southeast Asia Resource Center, formerly the Indochina Resource Center, is a major source of information on current developments in the countries of Southeast Asia, and on the U.S. involvement there. The Center follows and interprets events in the new societies of Vietnam, Laos and Kampuchea (Cambodia), and also covers Thailand, the Philippines, Malaysia and Indonesia. SRC also maintains a mail-order service specializing in hard-to-find books and pamphlets on Southeast Asia. A free catalogue is available on request.

The SRC staff are: Helen Chauncey, Candace Falk, Lowell Finley, Rachael Grossman, Glenn Hirsch, Joel Rocamora, and Martha Winnacker. The *Southeast Asia Chronicle* is published six times a year. **Subscriptions** are: \$8 regular; \$6 low-income; \$12 institutions; \$10 foreign surface-mail; \$15 foreign air-mail; \$20 sustaining. **All contributions are tax-exempt.**

PO BOX 4000D Berkeley, Calif. 94704 (415) 548-2546

southeast
asia
resource
center



The Pacific Studies Center is a public research organization which focuses on U.S. foreign policy. PSC was founded in 1969 as an outgrowth of the anti-war movement in the Santa Clara Valley of California. The Center maintains a library and information files on a wide variety of topics, ranging from counterinsurgency in Thailand to health hazards in the Santa Clara Valley electronics industry. A periodical reading room contains approximately 200 news magazines and political journals from around the world.

Pacific Studies Center publishes the quarterly *Pacific Research*, a journal about U.S. foreign policy, multi-national corporations, and the political economy of Asia and the Pacific. **Subscription prices** are (2 year subs only): \$10 domestic; \$12 foreign surface-mail; \$22 institutions (domestic); \$24 institutions (foreign). **Contributions are tax-exempt.**

Pacific
Studies
Center

867 West Dana St. #204
Mountain View, CA 94041 (415) 969-1545



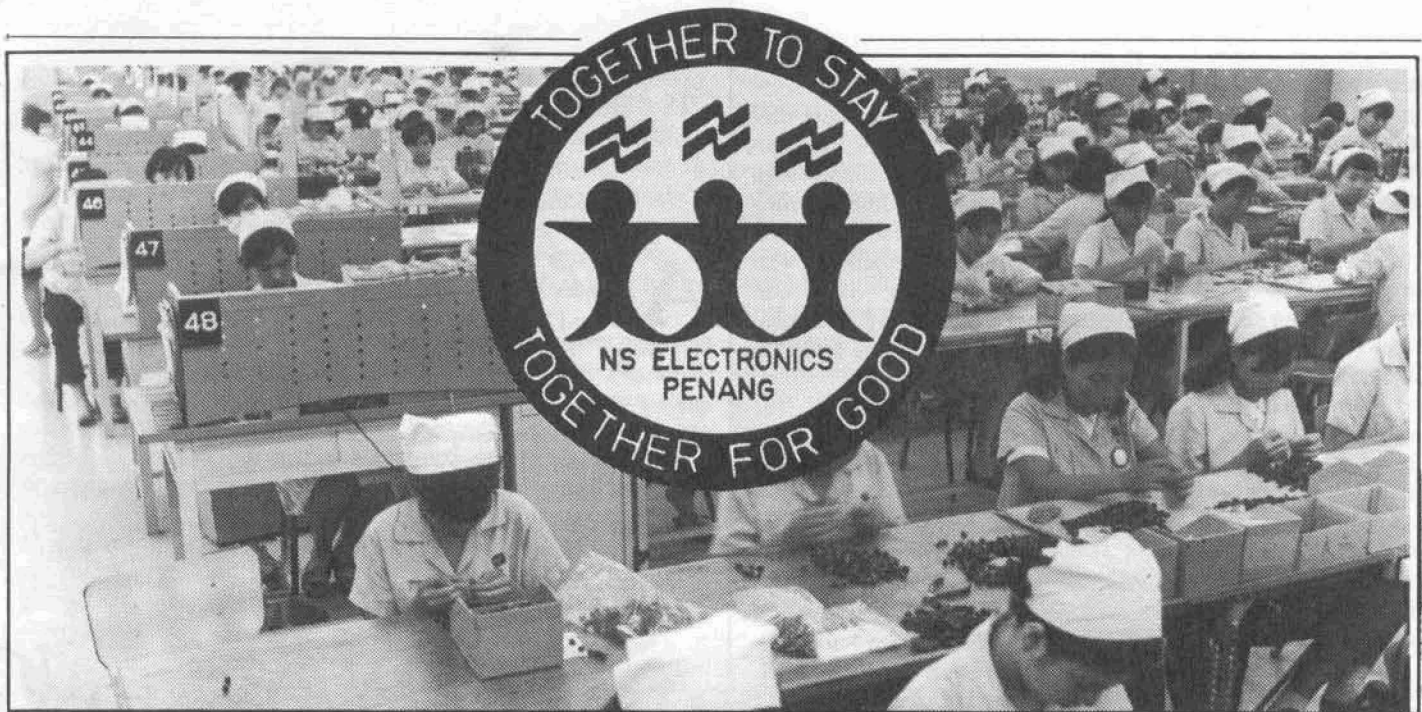


photo: Rebecca Cantwell

ABOUT THIS ISSUE

THIS JOINT ISSUE of the *Southeast Asia Chronicle* and *Pacific Research* is about women and about workers. We believe it is as important to feminists and labor activists as it is to people specifically concerned about Southeast Asia. It is for this reason that we have pooled our resources to produce a special, cooperative report. We hope it will provide information and insights which will help women workers in the United States and Southeast Asia to develop links among themselves.

Around the world, the proportion of women in the industrial labor force is increasing steadily every year. Yet growing numbers alone do not bring them together despite their key roles in some industries which employ women in more than one country. If their new roles are to make them strong, it is important for women to examine the disparities and similarities they face as industrial workers in different countries. These include working conditions, standards of living and job security as well as economic and social position. The widest gaps occur between the advanced industrial nations, in which multinational corporations are based, and the underdeveloped countries of Asia, Africa and Latin America, to which they turn for "cheap labor" and profits. At the same time, women workers on both sides of this gulf share more than they realize.

Within this framework, our particular focus is on two foreign-oriented industries which are bringing Southeast Asian women into the global economy: semiconductors and prostitution. Our choice of such a seemingly unlikely combination is intended to illustrate the range of serious problems and opportunities which western development schemes have created for Third World women. We hope to demonstrate to both American and Southeast Asian women how their lives are increasingly intertwined.

The semiconductor industry, which produces the components for the "micro-processor revolution," is now the cutting edge of modernization in industrial societies. In addition to its technological importance, it plays a unique role in developing an international workforce of women. Semiconductors are manufactured on an integrated assembly line extending from

California to Penang, Malaysia and back again. While other industries have moved production plants abroad, none has developed a production process so internationally specialized. The lightweight, microscopic components it manufactures have enabled the semiconductor industry to air-freight parts back and forth across the Pacific in order to use Asia's low wage workers for the most labor intensive steps in the process. Semiconductor production workers are almost all female—a striking contrast to such male-dominated industries as steel, mining and transportation.

Our major article on multinational semiconductor firms and women was written by *Rachael Grossman* on the basis of a ten-week factfinding trip to Southeast Asia as well as previous research on the electronics industry in northern California's "Silicon Valley." Her article points to the links between the conventional ways multinational corporations exploit the Third World and new forms of domination based on the sexual division of labor. Women are the industry's choice as its workers, because their economic weakness and social subordination make them easier to control than men. As Grossman describes, semiconductor industry personnel policies are carefully designed to play up feminine submissiveness and to divert attention from pay and working conditions by stressing female stereotypes and superficial consumption.

The industry controls its workforce by isolating workers from each other. The integrated production process is divided geographically into mutually incomprehensible bits, so that none of the workers recognizes her place within the whole structure. In California, when workers try to organize themselves, their employers threaten to move the plant to Asia—even when technical considerations make this unlikely. Workers in Asia hear of their colleagues in other countries only as anonymous competitors in a never-ending production contest. Only when they understand how the entire system is constructed can workers in its various segments unite in a multinational labor movement to confront multinational capital.

The expansion of the semiconductor industry in Southeast

Asia has created real—although often contradictory—opportunities for women, but it has also created the belief that women can always find employment in the new, export-oriented economic sectors. But with the prevailing high nationwide rates of unemployment, many of the women coming into urban centers in search of work and income do not find it in conventional forms. Many find that the same planners who have encouraged semiconductor manufacturing have also promoted tourism as an export-oriented industry. Tourism offers women other job opportunities—as prostitutes servicing foreign men.

Lin Neumann's article focuses on prostitution in the Philippines, which has grown enormously with the development of tourism and is now known as the "hospitality industry." He attempts to show the economic pressures which push women into this role as well as the governmental and business policies which make the exploitation of women's bodies a resource for national wealth. Although Neumann's article deals only with the Philippines, the forces which push women into prostitution operate in all export-oriented economies of Southeast Asia.

Lenny Siegel's article outlines the role of the U.S. government in formulating and supporting foreign-oriented development policies in Southeast Asia. This aspect of U.S. involvement in the region is less conspicuous than the U.S. military presence but both are parts of an overall policy which has profound effects on the lives of Southeast Asian women.

An assessment of the possibilities for the creation of a strong women's movement in Southeast Asia must be based on the specific conditions of the region. From the vantage point of the U.S. women's movement, the temptation would be to assume that the entry of Asian women into the paid labor force carries with it some basis of real economic and political power as well as social independence. However limited that power may have been here in the U.S., it did provide the basis of a women's movement in the 1970s. In Southeast Asia, the equation is quite different. The export-orientation of investments by multinational corporations in the region has meant that lasting benefits for the national economies as a whole and for the women who work in the electronics assembly industry are far from assured. Because of the potential for automation, and the ease with which the assembly operations can be relocated, the Southeast Asian factories may not be permanent features of the global assembly line. The resulting structural weakness of the host economies undermines the leverage women need to secure meaningful economic, social, and political gains.

It is important for women everywhere to understand all these elements if they are to combat the isolation and competition which now prevent the different sectors of the international workforce from cooperating to strengthen their positions as workers and as women. The unique organization of production in the semiconductor industry makes it a logical place to begin developing a strong, international labor movement based on women. But in order to do this, workers must be able to confront their double exploitation as workers and as women, a confrontation which must begin with recognition of specific conditions in each area and how the parts fit together. Only in this way will women working in multinational industries succeed in overcoming the powerlessness they now face in dealing with international corporations. We offer this issue of the *Southeast Asia Chronicle* and *Pacific Research* as a step in that direction. □

"We hire girls because they have less energy, are more disciplined, and are easier to control."

—Personnel officer, Intel Corp., Malaysia

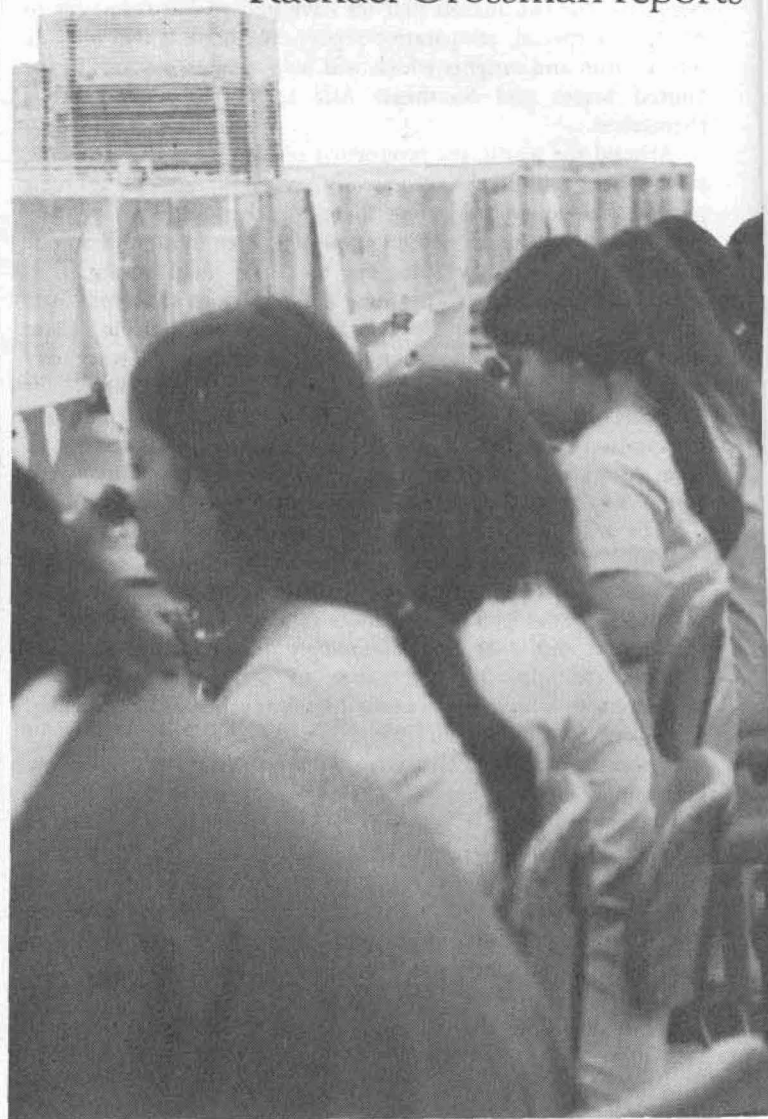
A GROUP OF WOMEN was wrapping gifts of talcum powder and candy for the upcoming Christmas party, while I talked to the personnel officer at the Intel plant in Penang. She described the charts which hang beside each operator's chair on the plant floor to record the quantity and quality of her daily production. She told me about factory-wide competitions and weekly quotas sent from California.

This personnel officer, a very likable Malay woman in her late 20s, spoke casually. But her message was brutally clear. There is a direct relationship between her ability to control and involve "her girls" and the numbers on the productivity charts. "Personnel operates with the goal of having management and operators cooperate. Otherwise, we can't survive."

Women's

Electronics corporations

Rachael Grossman reports



Jerry Elmer

The Intel plant in Penang, Malaysia, is a subsidiary of one of the largest semiconductor firms based in northern California's "Silicon Valley." Women make up 90 percent of the assembly workforce in this 1400-person plant, as they do in the other 18 electronics factories on the island of Penang. Approximately 19,000 women work in these factories, and several thousand more work in electronics factories in other places in Malaysia. In all, between 200,000 and 300,000 women work in electronics plants throughout Southeast Asia.

Electronics, especially semiconductors, is the fastest growing industry in Southeast Asia. It is also the technologically most advanced industry in the developed economies, providing critical components to all others. Governments, banks, factories, armed forces and other major institutions are changing their operations to incorporate new electronic products—all involving some kind of "brain"—while even individual consumers find themselves increasingly dependent on such gadgets as hand calculators. Ironically, the almost invisible element in this glamorous, breakthrough industry is the repetitive, semi-skilled

labor of Asian women. Driven by the need to cut prices in their competition for profitable shares of the market, virtually all the major semiconductor companies have sought cheap labor to perform the labor-intensive parts of their operations. To a large extent, they have found it in Asia, where women assemble the tiny components of products ranging from digital watches to multi-million-dollar computers. Their labor makes possible the low prices which in turn have made possible the explosive growth in the market for semiconductor-based devices.

Because they must keep productivity high and costs low to be competitive, semiconductor firms have put a great deal of effort into developing a whole battery of methods to manipulate and control the women who work in their plants. Their personnel policies now combine authoritarian discipline with the most sophisticated human relations techniques. Most highly developed in Malaysia, these techniques specifically exploit the traditionally defined attributes of femininity—passivity, submissiveness, sentimentality, sexual desirability—while creating a factory lifestyle distinct from that of the

Place in the Integrated Circuit

have developed the first truly integrated world assembly line.

on their latest personnel management techniques—specially designed to manipulate women.



SENTINEL

PENANG

OUR BEAUTY QUEEN MISS MARIA SPEAKS....

Coming from Kuala Lumpur some time in mid-June, 1973, I applied to work as an operator in the NS Electronics Sdn. Bhd., Penang. Luckily, I was employed and was placed to work as a lead bonder.

The working environment here makes me feel comfortable and peaceful and I am happy with my present job because my colleagues and line leaders are all very friendly, helpful and understanding.

In this coming Miss FTZ Beauty Contest, I am delighted and lucky indeed to be able to represent N.S. in this contest where the proceeds will go to the Little Sisters of the Poor - Home For the Aged. I do not know whether or not luck will be with me again, nevertheless, I will try my best to take part in this contest hoping to bring back joy and glory to the No.1 Company.



National Semiconductor Corp. (Malaysia)

The MANILA

CREAT

Vol. 1 No. 1

AMD Manila Phils.

August 1978



THE MISS AMD BEAUTY CONTEST

Miss AMD-Manila '78 The parade of contestants vying for the title "Miss AMD for 1978" wore casual dresses in the first round and "maong shorts" and daring red mid ribs in the final round. Miss Liwanag V. Ancog won the title for Miss AMD '78 on which she is entitled to a free trip to Penang, Malaysia.

Advanced Micro Devices (AMD Philippines), Inc.

general society. Their purpose is to make workers more immediately productive and to inculcate into them a long-term sense of identity with the company. At the same time, the emphasis on passive and ornamental femininity is intended to forestall the rise of any sense of independence or unified strength among the women workers. In the patriarchal societies of Southeast Asia, the sudden concentration of women in advanced industrial enclaves might well be expected to foster the emergence of a strong feminist consciousness among them. The carefully planned personnel policies work against this.

RECREATION AS TECHNIQUE

BEAUTY CONTESTS are the most dramatic example of the way electronics factories manipulate traditional concepts of femininity and gender roles. "The last beauty contest winner spent M \$80 [US \$40] on her evening gown. But she made so many slits up the skirt—to show more leg, you know—that she can't wear the dress anymore." The personnel officer was very matter of fact about the extravagance, which she saw as an example of how seriously the workers take participation in the beauty contest. This year's beauty contest winners will receive: first prize, a package tour to Medan (the nearest big city); second prize, a cassette player; and third prize, a night for two at the Rasa Sayang (the ritziest hotel in Penang). When I asked about the implications of offering a night for two to 18-year-old Malay women, primarily from rural Muslim backgrounds, the officer quipped, "We tell the winner, 'This is your prize. Whatever happens nine months from now, we aren't responsible.'"

One American plant manager in Penang explained, "We've developed recreation to a technique. Recreational activities keep turnover down. We spend US \$100,000 a year on personnel activities." He listed such stereotypically feminine activities as sewing classes, a monthly shoe sale, singing competitions and the beauty contest as well as a library, the company store and sports events. A plant manager in the Philippines described the only function of his large personnel staff as "creating activities." Monthly company publications contain an endless stream of images of women as sex objects and passive providers. Their features range from pictures of the scantily clad beauty contest participants to romantic poetry and sexist humor. There are also notices of such activities as classes in cooking or using cosmetics.

Much of the organized recreation takes the form of competition, which is intended, in the words of one personnel officer, to "develop incentive and motivation." Competitions also pit workers against one another, strengthening their sense of individualism and their willingness to work hard. The contests, highlighted again and again in the monthly publications, run the gamut of possibilities—singing contests, sports contests, "guess whose legs these are" contests, talent contests, crazy-costume contests.

Production competitions, also billed as "fun," barely mask speed-ups and provide the rationale for increasing quotas. Like the other contests, production competitions take place at all levels of the organization. They range from individual contests based on the individual daily charts hanging beside each worker to competitions between subsidiaries in different countries. Workers in one Indonesian factory reported they had been asked to compete with the productivity charts of workers in

other Asian subsidiaries of their company. Individual winners usually receive special mention in the company publications, sometimes with a box of candy or some money. Departments win trophies, special outings or a party. At Intel two winners of a factory-wide competition for the most productive worker of the year even won a trip to company headquarters in California.

In the transition from beauty contests to production competitions, the guiding principle behind all the clever games becomes suddenly visible: control. Discipline is strict, because electronics components are either perfect or unusable. Workers are assigned quotas and monitored by daily productivity charts. They are prohibited from talking on the factory floor. They must wear uniforms. They are allowed an average of only 45 minutes break time during an eight-hour shift, and workers at the Fairchild factory in Indonesia reported having only one ten-minute tea break and a 15-minute lunch break. They also said about 20 women were laid off every week for failing to meet their production quotas.

Discipline extends beyond the factory floor as management uses a variety of methods to orient workers' lives around factory schedules. In Malaysia, factories rotate shifts every two weeks. "They like rotating shifts. They plan their lives around the rotation," explained a personnel officer at Monolithic Memories, Inc. Yet the workers complained that changing shifts every two weeks meant they could not plan many activities or enroll in classes outside the factory, and they found it hard to readjust their sleeping and eating habits. A workers' manual at Advanced Micro Devices—Philippines (AMD) demands another form of subordination to factory requirements: "Do not accept employment by another company, work part time or hold any other job without the consent of the personnel manager and the general manager."¹

"TOGETHER TO STAY, TOGETHER FOR GOOD"

FROM THE DAY a worker enters the factory, she is bombarded with such slogans as "Catch on to the Motorola Family Spirit and build a good future for yourself and your family." These portray the factory as a family incorporating many of the patriarchal features characteristic of real families in Southeast Asia. "Big brother" male supervisors lord it over the female operators. The plant manager, usually an American, presents himself as a kindly—but nonetheless demanding—father figure, playing basketball with the team, kissing the beauty contest winner, eating in the factory canteen. As the manager of Fairchild's Indonesia plant explained, "What we are doing resembles a family system in which I am not just the manager but also a father to all of those here in Fairchild. This conforms to a very important Indonesian principle, that of the family [*kekeluargaan*]."²

For the women, brought up in families in which the father's word is law, the image is compelling. While the culture of the factory is radically different from that of their homes, the stress on family ideology helps prevent them from recognizing the implications of their own independence from their families. At the same time, the family analogy legitimizes the combination of authoritarian discipline and "indulgence" (recreation) which management uses so effectively to keep workers in line. For management, the point is to preclude any desire by workers to organize themselves to challenge the management-imposed

Berita Mostek

AN EMPLOYEE RELATIONS PUBLICATION

NO. 1/78 KDN. 0504/78

QUEEN FOR THE NIGHT



After sponsoring them and coaching them on their IQ, we managed to walk away with third place in the form of Julie Loh (congrats from Berita Mostek) who won for herself a return air ticket to Bangkok plus \$200.00 cash, an opal stone and cosmetics.

Mostek Corp. (Malaysia)

KOMMUNIKATOR

VOICE OF MOTOROLA

SEPTEMBER 1978 KDN 0107/78



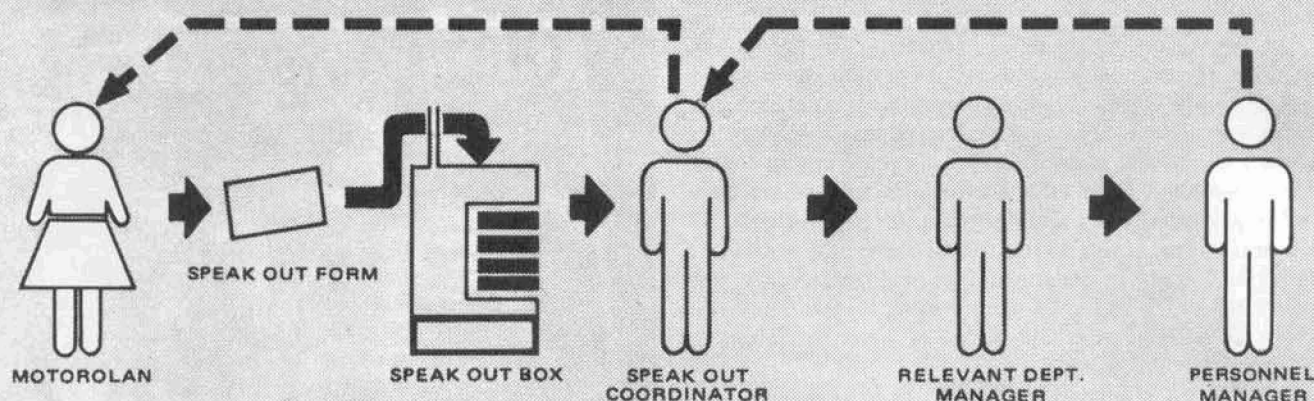
SWEETHEART

FANCY DRESS

BINTANG

Motorola Corp. (Malaysia)

SPEAK OUTTHE MOTOROLA WAY



An excerpt from *Kommunikator*, the "human relations publication" of the Motorola Corp. (Malaysia).

factory consensus. Management representatives throughout Southeast Asia express the same thought: "If management operates well, it is my hope that a union will be unnecessary." "Unions only set up an adversary relationship between workers and management." "Intel doesn't believe in unions. We believe in finding out what workers want. We conduct twice-yearly attitude surveys with workers." Back in California a semiconductor executive went further, explaining that the industry stresses human relations to prevent unionization, because it would raise wage costs now and "rigidify" the size of the work force in the future.³ The industry wants to retain its ability to lay off workers if the market slumps or if automation becomes profitable.

AN INTEGRATED ASIAN CIRCUIT

THE USE OF personnel policies to create a distinct culture within the factory is more dramatic in Malaysia than in the other Southeast Asian countries. Foreign-owned semiconductor corporations are now well established in Malaysia, particularly in Penang, and some of them have begun to upgrade their operations, adding testing and automated bonding processes. Malaysia is becoming the center for testing in Southeast Asia. National Semiconductor (NS), for example, tests products from its plants in Thailand, Indonesia and Penang at the Penang plant. The automated bonding machines cost \$50,000 per unit and allow a single worker to produce 10 times as much as one working with a microscope. These more complex processes require virtually fail-proof factory discipline. Malaysia has been chosen for upgrading because its educated, English-speaking workers have shown themselves to be easily trainable and controllable. Most of the electronics workers have not held any other industrial job, and many of them are the first female members of their families to hold such jobs. They are particularly susceptible to the appeal of the "Western culture" which is offered as part of the employment package. As a result, electronics workers are conspicuous wherever they go, identified by their elaborate make-up, tight jeans and high heels.

In Hong Kong and Singapore, where industrial work and Western culture are more familiar and job mobility is more common, workers hold out for hard cash rather than being

impressed by such offerings as beauty contests and cosmetics classes. Both Singapore and Hong Kong have become regional headquarters for the electronics industry, providing high-skilled jobs and better wages to their workers. Singapore has become particularly attractive to international industry because of its highly controlled society, free port status, good harbor and well-developed communications infrastructure. Electronics subsidiaries there provide warehousing, final testing and some marketing services for other Asian subsidiaries of their companies.

In the Philippines and Indonesia, on the other hand, poverty reduces the need for elaborate personnel programs. The personnel manager at AMD-Philippines reported as many as 500 applicants a week for 50 openings, and a personnel officer in Indonesia reported 500 applications a day. With the overwhelming unemployment indicated by these figures, the companies do not have to make the efforts they do in Malaysia to win the fealty of their employees. As one Indonesian worker commented, "No matter how bad it is, it's a job. That's better than nothing." Hence, personnel activities in Philippine and Indonesian factories are usually watered-down versions of what is done in Malaysia. Furthermore, in the Philippines, the pervasive American influence lessens the impact of the semiconductor culture.

Indonesia, the Philippines and Thailand (not covered in this report) are the last frontier in the highly integrated Asian circuit of semiconductor factories. In these countries, poverty and unemployment spawn extremely cheap labor forces, but they also threaten political instability in the future. At the same time, these countries lack necessary infrastructure. An American manager in Indonesia illustrated the problem when he complained that it is easier to telephone Santa Clara than the other side of Jakarta. The plants located in the poorer countries are the most labor intensive and least expensive, what one American manager called "jellybean operations." They are plants which can be closed down on short notice if the political climate appears too risky or if they become economically superfluous. The NS plants in Thailand, Indonesia and Penang, for instance, do the same work, so that political upheaval in one country will not precipitate a breakdown in the overall production cycle.

A GLOBAL ASSEMBLY LINE

THE PRODUCTION PROCESS of which the semiconductor factories in Southeast Asia are a part is literally a global assembly line stretching more than halfway around the world. While it has grown with the general expansion of multinational capital, it has received a special impetus from the nature of the semiconductor industry. Semiconductors are the "brains" of the new generation of electronic products: hand calculators, digital watches, computers, communications equipment, "smart bombs," and strategic missile guidance systems all share the same type of component. The industry has come into being since the 1947 invention of the transistor, and it has grown with help from generous Pentagon contracts and research done at Stanford and other universities. Many of the largest companies are headquartered in the area around Stanford, known as "Silicon Valley," because silicon is the basic material for semiconductors.

Competition in the industry is still so heated that prices for its products are falling faster than the cost of production. "A transistor which 12 years ago cost \$25 now costs 15 cents," bragged one American executive in Penang. In the race to survive, companies have introduced new products, such as electronic toys and home computers, while cutting costs in every feasible way. Since, ironically, much of the production process for these labor-saving devices is extremely labor intensive, labor costs have been the major target for economizing. In California, 90 percent of the assembly workforce is young and female. More important than cutting costs in California, however, has been the division of the production process into smaller and smaller discrete segments. This and the microscopic size of the semiconductors (which makes it practical to ship unfinished parts from one plant to another) has allowed the industry to shift its most labor-intensive work to places where labor is cheap. Furthermore, the very equipment produced by the industry makes finely tuned long-distance coordination possible. As a U.S. manager in Asia quipped, "Santa Clara is just a telex away."

The first moves were to Mexico, but the industry soon looked to the even cheaper labor of Asia. Fairchild Camera and Instrument Co. set up the first Asian assembly plant in Hong Kong in 1962. During the 1960s, other U.S., European and Japanese companies expanded to Hong Kong, Taiwan and South Korea. Searching for ever cheaper wages, the semiconductor industry then moved into Southeast Asia, coming to Singapore in 1969, Malaysia in 1972, Thailand in 1973, and the Philippines and Indonesia in 1974. The manager of a plant in Malaysia explained how profitable these moves have been: "One worker working one hour produces enough to pay the wages of 10 workers working one shift plus all the cost of materials and transport."

THE FAST-FINGERED MALAYSIAN

THE ELECTRONICS INDUSTRY has not operated in a vacuum in constructing its Asian circuit. Asian governments, looking for development capital and solutions to their employment problems, have actively sought labor-intensive investment. Semiconductors have appeared particularly attrac-

P.T. FAIRCHILD

SEMICONDUCTOR. INDONESIA

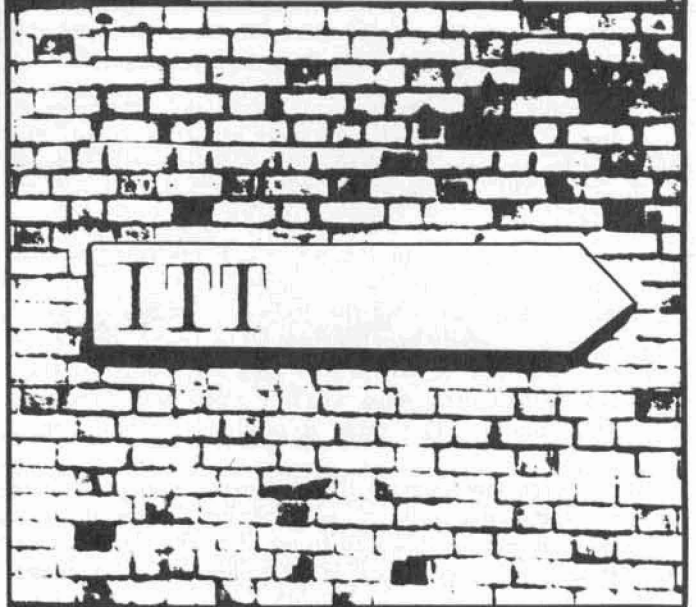


intel

Phil

2115 SPURWAY RD., BANGOR, MAINE 04401

ITT



"I wanted to be a teacher but there were no jobs . . ."

THE WOMEN COMING to work in the semiconductor factories of Southeast Asia have not worked in industry before. Many of them did not expect to become industrial workers when they first looked for jobs.

In Penang, Malaysia:

"I'm from Ipoh. My father teaches primary school there. After I graduated from high school, I wanted to become a teacher too, but there were no jobs. I had a friend who had been working here in Penang, so I followed her here. I've been here three years so far."

In Manila, Philippines:

"My family owns three hectares [7.5 acres] in Cavite. We grow pineapples, bananas, coconut, rice. After I graduated from high school, I stayed at home for a year and helped my mother with the housework. I looked for a job there, but you can't even get a bank teller job without at least two years of college. . . . My uncle had a friend working in the NS maintenance department, and he told my uncle about openings. So I came to Manila." □

tive, according to one Malaysian government official, because "they are so fast moving. They come in and quickly soak up people."⁴ In addition, governments hope to acquire new technology from the semiconductor industry. In wooing foreign investment, Asian governments have stressed the availability of large, cheap pools of female labor. Glossy brochures describe the prospects in terms similar to the following from *Malaysia: The Solid State for Electronics*:

The manual dexterity of the oriental female is famous the world over. Her hands are small and she works fast with extreme care. Who, therefore, could be better qualified by nature and inheritance to contribute to the efficiency of a bench-assembly production line than the oriental girl?⁵

Domestically, Asian governments have taken measures to make their country's women even more attractive as potential employees by ensuring that they will not resist demands made on them by the foreign firms. In 1970, when electronics companies wanted to locate in Malaysia, the government provided for exceptions in the law which protected women from night-shift work. In the Philippines, Presidential Decree No. 148, issued shortly after the declaration of martial law in 1972, reduced maternity benefits from 60 percent of pay for 14 weeks to 100 percent of pay for six weeks, and limited coverage to the first four children. According to the personnel director at one textile factory, "This made it profitable to hire women again."

Perhaps even more serious than removing legal protections has been the active role of all capitalist Southeast Asian governments in putting down all forms of worker protest. Over and over again the story is told—in the Philippines, in Indonesia, in Thailand, Singapore, Taiwan, South Korea: "As soon as the

protest began, carloads of police and government officials descended on the plant . . ." Such actions are backed up by laws prohibiting strikes in "vital" industry, which normally includes foreign-owned manufacturing plants.

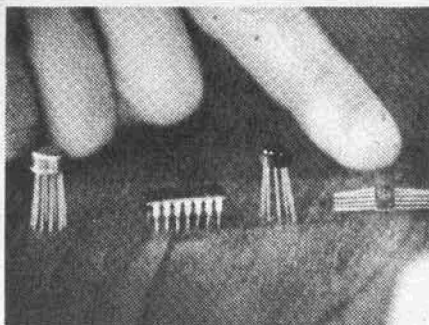
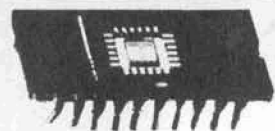
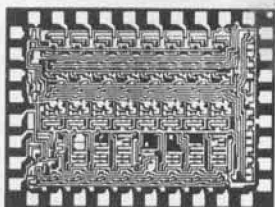
At times, government officials address their own citizens in tones similar to those they direct at potential investors, seeking to convince them that government and workers share the same interests. In a recent article entitled "Why We Woo Foreign Investment," Malaysian Deputy Prime Minister Mahathir Mohamed asserted: "The government could not help the people if they refuse to realize the importance of a better economy and to be more responsible. . . . Workers must uphold their dignity and not cause problems that would scare away foreign investors. They should instead be more productive so that government efforts to attract investors would be successful."⁶

"SOAKING UP PEOPLE?"

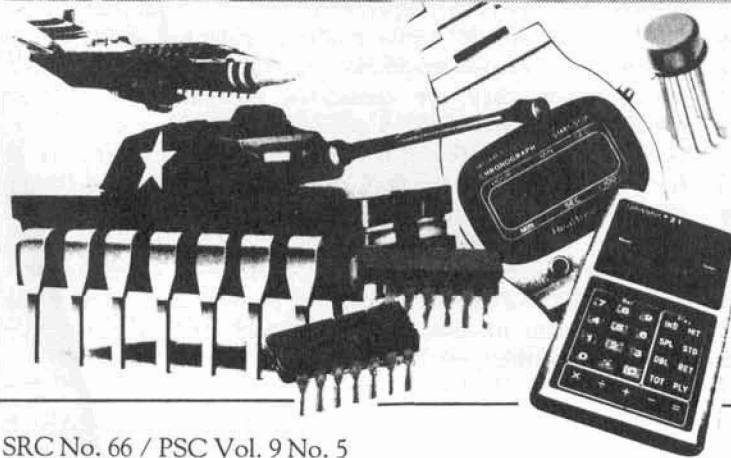
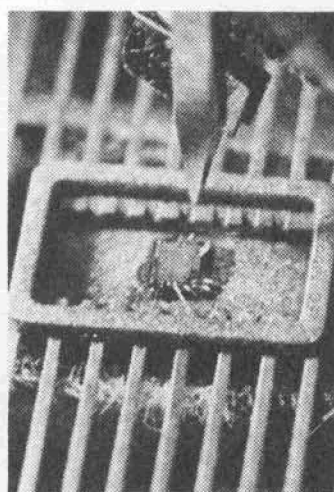
IN ACTUAL FACT, the electronics corporations have failed to live up to the expectations of their hosts in providing employment. While they have brought thousands of jobs to Southeast Asia, their requirements for young, educated (high school) female workers have meant that they have brought a new category of people into the workforce rather than reducing the ranks of the unemployed. A recent study in Penang found that over two-thirds of the workers had never worked before and came from families whose female members had never worked for wages.⁷ Malaysia defines "active unemployed" as men who have registered as unemployed on the Labor Exchange, and government officials complain that the electronics firms are not helping them, because they rely almost exclusively on women. In the Philippines and Indonesia, many electronics workers are the daughters of teachers or low-level bureaucrats and had aspired to but could not find white-collar jobs.

The question of who is "unemployed" is a complex one in Southeast Asia, as in most of the developing world. The overwhelming unemployment characteristic of these countries arises from the stagnation and even impoverishment of agriculture while most resources are directed into building up an urban industrial sector. Because so much capital is required to create new industries and the infrastructure that must accompany them, the new industries do not grow fast enough to absorb the increasing flow of people pushed out of peasant family farming. In addition, a large proportion of each country's surplus is siphoned off by foreign investors repatriating profits. While there are many variations, peasants generally work for themselves as smallholders or tenant farmers. As long as they retain their land, there is a certain amount of choice possible whether to reduce a family's standard of living or seek other employment. At the same time, however, the commercialization of agriculture results in the outright loss of their land for large numbers of peasants.

Until recently, it has been the men—fathers and sons—who have sought wage labor when family farming could no longer support the people dependent on it. The men have migrated to cities to take whatever jobs they could find, while the women often stayed behind to run the household and continue farming. In cases where the family lost its land, all its members accompanied the father to the city. When women migrate to look for work, however, it is not mothers, but daughters, who go. While they frequently send money home, their families do



HOW IT'S DONE



SEMICONDUCTORS ARE MICROSCOPIC electronic circuits which are the latest in a line of technology that began with the invention of the transistor in 1947 and the development of the integrated circuit in the early 1960s. Integrated circuits now bring together up to 100,000 transistors, resistors and other circuitry on a single chip of silicon half the size of a small fingernail. The production of these products is an integrated and very segmented process which includes highly educated scientists in the U.S. and thousands of assembly workers throughout the world.

Semiconductor companies locate their research, development and the initial capital intensive stages of production primarily in the "Silicon Valley" in northern California. Scientists and engineers design complicated, multi-layered circuit patterns for each semiconductor device, drawing giant versions that range up to 60 inches square. Each design is then photographically reduced until it is virtually invisible to the naked eye.

Assembly workers in California fabricate the initial stages of the semiconductor based on the microscopic negatives. First they "dope" the layers of silicon with various chemical impurities in order to create electrically conductive and non-conductive areas. These positive and negative specks act as transistors, tiny electronic switches that shuttle the electrical circuit about. Other workers then photograph the circuit pattern, etching the pattern into the wafer with acids and solvents. These wafers are then baked in ovens at temperatures over 900 degrees Fahrenheit. For this process, assemblers must insert special gases—arsenic, boron and antimony—into the ovens to alter the electrical characteristics of each device in specified ways. This entire process is repeated for each layer of the pattern, often as many as ten times.

Once the wafers are fabricated, women test each wafer with computerized equipment, sorting them into categories. Because the equipment needed for testing can cost up to \$350,000 per unit, this process is generally carried on in or near company headquarters in California.

At this point, wafers are shuttled to Asia. There, Asian women perform the labor-intensive, routine, intermediary assembly operations. When the wafers—2 to 4 inches in diameter—arrive in Asia, workers slice them into up to 500 separate chips. At this point, miles of aisles of assemblers take over to bond these chips to circuit boards. An assembler peers through a microscope for seven to nine hours a day, bonding each chip with as many as 50 gold wires—each the size of a strand of human hair. Each bonder must work at top speed as individual quotas run as high as 800 chips per worker per day.

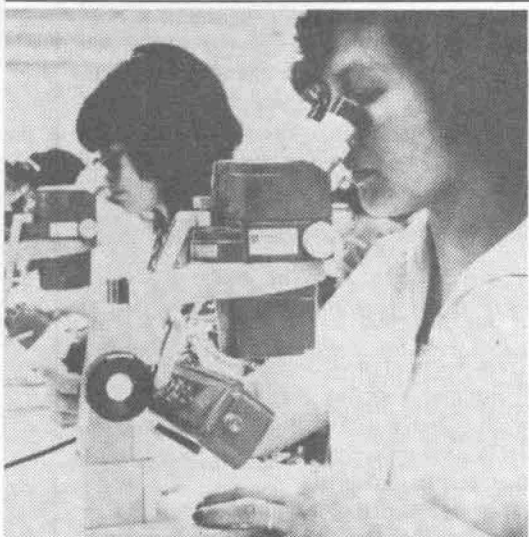
Further along the Asian assembly line, other workers bake these chips in 600-1000 degree ovens, sealing each chip inside a plastic or ceramic protective coating. Testers then check the reliability of these components, dipping them in tanks of chemicals and applying electric currents to the components. This step in the process, previously carried out in California, is increasingly being transferred to Asia. Companies either send these components to their other Asian subsidiaries for assembly into simple products such as calculators or they ship the components back to California for the final assembly of products ranging from home computers to military surveillance systems. □

not accompany them. By its reliance on women, the electronics industry offers new opportunities and new hopes for women seeking income. However, the requirement that electronics workers possess a high school education means that these jobs are not available to the majority of women looking for work. In fact, a personnel officer at NS-Philippines reported that 30 percent of the assemblers there are college graduates and another 30 percent have some college education.

For the electronics firms, the newness of the work force they are creating is an advantage. Not only are the young women more tractable than older women or men might be, but since they are not believed to be supporting families, their wages can be kept low and they can be laid off with relatively few repercussions. Thus the employers give first preference to women with no work experience and generally refuse to hire married women, although they do not necessarily fire them if they marry after being hired. The ability to lay their workers off at will is essential to the electronics firms, because the work is almost by definition temporary. After three or four years of peering through a microscope, a worker's vision begins to blur, so that she can no longer meet the production quota. The unspoken expectation of the company is that she will marry and

force was laid off.¹⁰ Meanwhile, more automated processes are available—enabling one worker to produce 10 times as much as she does now manually—and could be introduced on a wide scale whenever companies deem it profitable to replace workers with machines.

If electronics plants do not provide permanent jobs, then perhaps they train women for other work? Not so. As highly compartmentalized segments of a multinational production process, the jobs develop skills with no application in other industries. Bonding, for example, requires looking through a microscope, and testing, dipping into tanks of chemicals. As the only part of the electronics process which comes to Southeast Asia, there is not even an opportunity for advancement or transfer to other kinds of work within the same industry. Similarly, this kind of division of the production process does not lead to the growth of local semiconductor firms, because there is no transfer of technology to the local economy. Government officials whom I interviewed in more than one country expressed dissatisfaction with the failure to acquire technology, and one U.S. Embassy official in Jakarta asserted, "The only thing electronics investments give the country is the RP 500 [US \$.80] a day wages!"



WAGES

WAGES (in U.S. dollars)	Starting		After 2 Years Employment	Monthly Expenses*	
	Daily Basic	w/Bonus	Monthly Wages	Monthly Wages	
INDONESIA	.80	—	19.20	29.25	26.00
PHILIPPINES	1.40	1.90	34.00-45.60	75.00	37.00
MALAYSIA	2.00	2.25	54.00-60.00	100.00	45.00
HONG KONG	5.00	6.36	120.-152.00	187.00	123.00

* Basic cost for one person for rent (rent expenses based on average spent for bed or floor space in room with 4 or more residents), food, transportation.

Source: Interviews with workers November 1978-January 1979.

photo: NACLA

"retire" by the time she becomes unfit for the work, but she will be laid off in any case.

The nature of the industry also requires an expendable work force, for the fierce competition means each company experiences strong ups and downs. Some will survive only a few years before going under, but in the meanwhile, they have employed numbers of Asian women. An NS executive in California predicted that within ten years, only three or four semiconductor firms would still exist.⁸ However, it is still too early to tell which three or four firms will survive. Hence, the host countries have no control over the durability of the investments they so eagerly seek.

The recession of 1974 provided a vivid example of the impact on Asian workers of world economic trends and decisions made in California (or elsewhere). Approximately 15,000 workers—one-third of all electronics workers—lost their jobs in Singapore alone.⁹ Some factories in Penang laid off thousands of workers, while others cut the work week to three days. In the Philippines, where the first electronics plant had recently begun operations, one-fifth of its 200-person work

SUBSISTENCE OR LESS

FOR THE WOMEN on the production line, there are tangible consequences of their position within the international structure of the industry. The companies use various means to keep wages low, although many of the electronics workers are expected to contribute substantially to their families' income. In the Philippines and Indonesia, women are paid less than the minimum wage for as long as six months, during which they are considered apprentices. With legal minimum daily wages of 11 pesos in the Philippines and Rp. 500 in Indonesia, electronics apprentices receive eight pesos or Rp. 390 respectively. Yet personnel officers readily admit that a new operator can learn her job in a week, or at most, two. Such pay is in many cases less than subsistence for one person. In Manila, a worker living in the six-by-six-foot extension of a squatter hut told me she needed ten pesos a day to pay for the bare minimum of fish, rice, water and rent. A community organizer in the province of Bataan reported that peasant



Working with caustic chemicals in the "tin-dip" section of the NS Electronics Company's Malaysia plant.

families often had to support their daughters for the first months, and often the first year, of employment in factories in the Bataan Export Processing Zone or Manila.

Rather than institute adequate wages, companies use monetary bonuses as a means to put pressure on their workers even after the apprenticeship period. In order to earn adequate income, a worker must qualify for bonuses, which are paid for perfect attendance, punctuality, high production, work on the microscopes. With any infraction of company rules or a single absence in a month, a woman loses her eligibility for extra payment. This is particularly rampant in Hong Kong, where industry uses monetary incentives rather than recreational activities to discipline and motivate the work force. There a worker earning a daily base wage of HK\$24 (US\$5) can collect an additional living allowance (US \$.60), meal allowance (\$.40), and travel allowance (\$.20). However, if she is 15 minutes late, she will lose all allowances for the day. Less extreme versions of this system coexist in other parts of Southeast Asia with nonmonetary incentives.

At plants in Hong Kong, Taiwan, Malaysia and the Philippines, employees receive a thirteenth month bonus at the end of the year instead of higher monthly pay for 12 months. A worker hired at mid-year has her bonus prorated, while one who leaves during the year receives none of the bonus. Workers in Hong Kong, Taiwan and the Philippines reported that their employers had tried to avoid giving them the year-end bonus, resulting in strikes and walk-outs.

Wages increase somewhat after the apprenticeship period, and most women begin contributing to their families once their

own subsistence needs are met. In the Philippines many workers employed for more than two years report that they send half or more of their monthly earnings home. In Malaysia, where electronics workers come from slightly less severe economic backgrounds, they still turn over 25 to 50 percent of their wages to their families.

HEALTH AND SAFETY

A PHOTOGRAPH OF the interior of an electronics plant is striking for its sense of immaculate order: a spacious, well-lighted room in which rows of women dressed in white bend over gleaming microscopes. On an actual walk through a plant, however, the visitor often gags on the strong smell of chemicals, and a trial look through a microscope quickly produces dizziness or a headache. Toxic fumes and eye ailments are the twin enemies of electronics workers. Yet the companies do not inform them of the health hazards their jobs entail, and management-run health and safety committees actually divert attention from these problems.

"Hey, Grandma!" Young women greet their slightly older co-workers at the factory gate every morning. In Hong Kong most electronics workers over 25 are called "Grandma" because they wear glasses. While workers in Southeast Asia are much newer to electronics work than those in Hong Kong, they too are beginning to have serious eye problems. In 1975, just three years after the first electronics plant opened in Penang, nearly half the workers there complained of deteriorating eyesight and frequent headaches—the result of microscope work. Most



"I test around 3,500 chips a day."

I STARTED WORKING at Fairchild in January, 1978. They put me in the optical test section where I have to look through a microscope to test the chips before they are bonded. It took me two weeks to get used to using the microscope.

When I first came last year, they paid me Rp 390 a day [US \$.80]. After the three-month "training" period they gave me Rp 450 a day. Now I get Rp 490.

After the training period they set my quota at 15 trays a day. Now I have to test 25 trays a day. I think there are between 160-180 chips in each tray, so I test around 3500 chips a day.

I get up at 5:00 a.m. and take the bus to work. The shift starts at 6:00 a.m. and goes until 2:00 p.m. They don't let us talk during work, but we can talk during our breaks. We have a ten-minute tea break at 8:00 a.m. and a 15-minute lunch break at 9:15.

After six months I became sick with red eye [conjunctivitis]. I don't know why this happened. Other friends at work got sick too. The supervisor told me to clean my microscope so nobody else would get it. Then he gave me a two-week medical leave. While I was at home, my family all got red eye too.

I don't earn enough to give my mother much, but I give her food money sometimes. I like to buy my brothers and sisters *basko* [noodle soup sold by street vendors]. It costs Rp 50 a bowl, so if I buy it for all of us, it costs my whole day's salary. □

workers suffer at one time or another from conjunctivitis, a painful and highly contagious inflammation of the eye. Individual comments echoed this worker's story: "After some time we can't see very clearly; it's blurred. We'll be looking into the microscope for over seven hours. We have to work with those gold wires, very thin like our hair . . ." ¹¹ Virtually anyone who stays on the job more than three years must eventually wear glasses. Companies usually refuse to pay for the glasses—although they require 20-20 vision when they hire.

Caustic chemicals, all toxic and many suspected of being cancer-causing, sit in open containers beside many workers, giving off the fumes which so assault the first-time visitor to the plant. They include TCE, xylene, and MEK, all particularly dangerous acids and solvents which are used extensively throughout the production process. Workers who must dip components in acids and rub them with solvents frequently experience serious burns, dizziness, nausea, sometimes even losing their fingers in accidents. A major cause of accidents is the high speed at which workers are required to carry out their tasks. It will be ten or fifteen years before the possible carcinogenic effects of these chemicals begin to show up in the women who work with them now.

Management representatives deny or trivialize the dangers of electronics work. Sometimes their denials are unintentionally revealing, however. The manager at Hewlett-Packard in Malaysia answered my question about eye problems: "These girls are

used to working with 'scopes. We've found no eye problems. But it sure makes me dizzy to look through those things." Personnel departments set up management-worker health and safety committees, but these seldom address the real hazards or consider ways to correct them. Instead of questioning the way in which chemicals are handled, they generally focus on health and safety poster or essay contests, fire drills, or an annual health and safety week.

A BED AND A CUPBOARD

AS A NEW SEGMENT of the work force, many women—although not all—have to move long distances from their homes to take jobs in the electronics plants. The conditions in which they live away from home reflect both the meagerness of their wages and the social disruption caused by foreign-dominated industrialization in enclaves not integrated into the local economy. In Malaysia, where wages and living conditions are better than in the other countries I visited, electronics workers live in boarding houses. Four to eight women usually share a room. In a hostel where I stayed, each individual possesses a bunk space and a two-foot cube of a cupboard. The kitchen, outfitted only with 19 kerosene stoves, is shared by 50 women.

"Watch out for your camera. Someone might steal it." My hostess was carefully relocking her cupboard. I was surprised.

Couldn't I relax in her room? Couldn't she relax? "No," she explained. "We work different shifts. I didn't know all of these people before, and we haven't all become friends. Besides, people are moving in and out all the time."

She doesn't rent a room, because she can't afford one. She rents the bed and the cupboard and has no control over the other women who rent beds and cupboards in the same room. In a society based overwhelmingly on families and stable communities where people have known each other for generations—and where women's roles have been defined only in family terms—the individual migration to an industrial center is a lonely one. Neither their own backgrounds nor the factory's encouragement of competitive individualism prepares these women for developing lasting relationships with strangers. In some cases, the physical living conditions are not much worse than those at home, but the isolation without privacy creates stress.

In the Philippines, factory women live in even grimmer conditions than in Malaysia. Many are able to afford only a place to sleep in a squatter shack pitched in a slum. In the boarding houses, ten women share a room, which is "furnished" only with straw sleeping mats.

COFFEE AND COSMETICS

AFTER CASTING a sidelong glance at the men at the next table, Tuti shot the rest of us a conspiratorial smile, eyes twinkling. I stared into the coffee I was stirring, pulling the Malay words together in my mind to ask why they had come to work in this factory. Suddenly I laughed to myself, realizing that part of the answer was right here at this coffee stand at 11 o'clock at night.

Malaysian workers' answers to my question were often similar. They come for the money, of course, but also for the freedom. They talk of freedom to go out late at night, to have a boyfriend, to wear blue jeans, high heels and make-up. Implicitly they contrast this social freedom with the sheltered, regulated lives they would lead with their families in Malay

villages and small towns. They revel in their escape from the watchful eyes of fathers and brothers.

Complementing the sense of social freedom is the opportunity to sample a bit of the consumer society which is their image of the West and modernity. On pay day, the factories arrange for sellers of cosmetics and costume jewelry to come in during the lunch break. "Tee-shirt and clothing salespeople are not allowed in, because try-ons would take more than the half-hour lunch break. Whatever we do, we don't disrupt production time," explained a personnel officer. "I worry about the price of one lipstick," she continued. "But an operator walks up to the salesperson and buys M\$80 [US\$40] worth of cosmetics at once!" She could not explain how an assembler could afford two weeks' pay for a package of cosmetics. Elaborate make-up is part of the electronics image in Malaysia, and the factories even provide classes in how to apply it. All this allows the workers to feel they are part of a global culture which includes the choice between Avon and Mary Quant products, posters of John Travolta and Farah Fawcett-Majors by their beds, and the music from *Saturday Night Fever* played on the factory Muzak system.

Underlying the lifestyle attractions of electronics work, most strongly felt and clearly articulated in Malaysia, is the economic imperative. Women come to work in the factories because their families need or want the income their wages will allow them to contribute to the household. Families who may not approve of the factory lifestyle allow their daughters to go to work when they realize this will increase the family's income. A worker in Indonesia recounted:

When I first started working at Fairchild, I didn't tell my father. He finally found out after a week when my mother explained why I was leaving so early every morning. At first he was upset but then he saw that I was able to bring home some money for food so he let me work. . . . I would like to move out and contract a room near the factory but my parents won't let me do this. It's just that my house is so crowded—with nine brothers and sisters there are always people around. . . . My younger sister wants to apply at the

photo: Motorola Corp.



Motorola (Malaysia) describes their store as the "In-Plant Supermarket", in which "a wide variety of goods are sold at discount prices ranging from soap powder to cosmetics. The store has been set up to save you the trouble and time of having to travel to town every-time you need something."

factory for a job, but I don't want her to, I like having my own identity.

TENSIONS

THE ROLE OF income provider is a relatively new one for Southeast Asian women. While women have always shared the work of family enterprises—whether peasant or urban—and supplemented household income by doing cottage craft work, only a small proportion have taken on full-time wage-earning jobs outside the family. Those women who have entered the paid work force have generally been members of the small proletariat taking jobs in such industries as textiles, where they work under sweatshop conditions, or educated women working in clerical or professional positions. The arrival of the electronics industry has dramatically expanded opportunities for young women to play independent economic roles, often at times when their brothers cannot find wage jobs.

While the families welcome their daughters' income, it is often difficult to accept a daughter's greater independence. This tension becomes especially acute when the women push for more freedom or flaunt the alien lifestyle which is so actively

encouraged inside the factory. It is particularly severe in Malaysia, where the factory culture is more pronounced than in other countries in the region. The Intel Penang personnel officer complained, "Our major problem is complaints from parents, and brothers in particular, when they see the cultural changes and new lifestyles their daughters and sisters are taking on." In an attempt to overcome parental disapproval, several factories have arranged Parents' Days to "show parents that the working environment is actually very amenable." These events feature tours of the plant and free snacks and activities. Other plants have established factory-run hostels for workers so that parents will not worry about what their daughters do during unsupervised hours. The hostels feature chaperones and strict rules: residents must sign in and out, giving their destination when they leave, and they must return before 11:00 p.m. If they have guests, they must provide complete information about them. Workers living in these hostels are quite wary of talking to outsiders. One group with whom I had become friendly would not let me enter for fear of repercussions from the chaperone.

Despite such measures, the tension persists, perhaps most of all for the workers themselves. They have been thrust into a limbo between two worlds, neither of which fully accepts the

I STARTED WORKING at the NS factory two and a half years ago. At first they put me in the bonding section, and I became a lead operator. After six months I transferred to inventory control. The work isn't so hard and I don't have to look through a microscope.

I earn 600 pesos [U.S. \$75] a month and I spend \$50-62. I send \$37-50 to my family; I think most of my friends send half their wages to their families. I pay \$6 a month for my room, which I share with three other girls. I pay about \$4 a month for food here, and maybe \$3 more for meals inside the factory. I can't afford to go home to Cavite every week because the bus fare costs 75¢ for the round trip. Besides, I don't like to spend so much time commuting, even though my parents are angry that I don't come home every week.

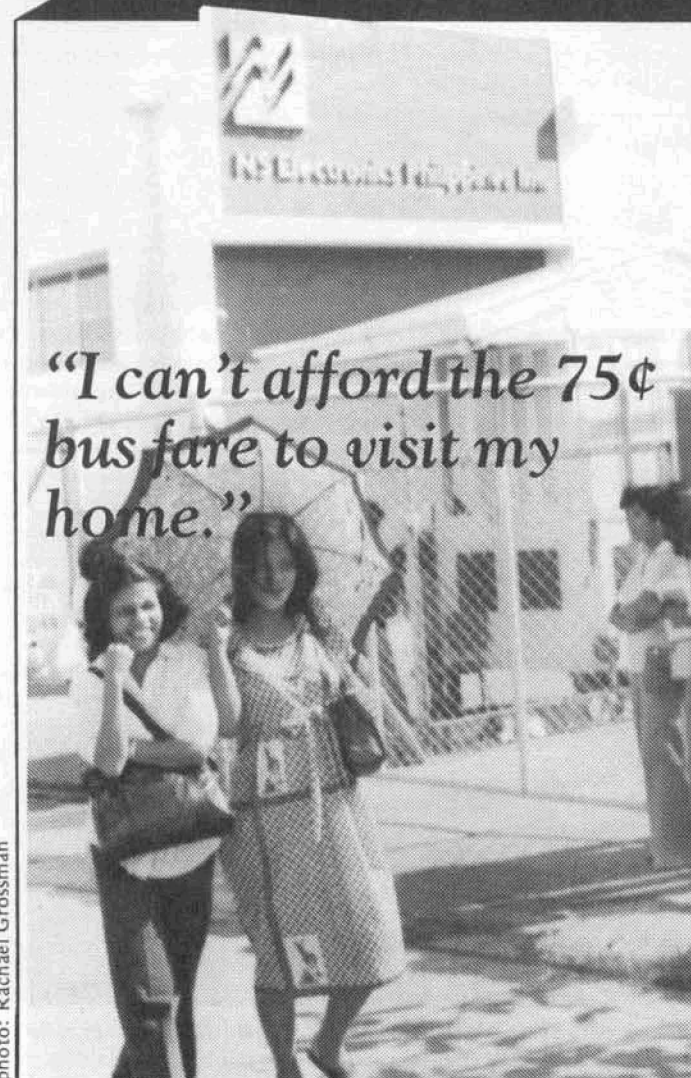
When I was working in the bonding section, I used to get rashes often. Then the supervisor would transfer me to another job in the department until the rash went away. They told us some of the chemicals might be harmful but that the cloth masks would keep us from getting sick. My friends who still work with the microscopes have eye problems. They get headaches and have blurred vision.

I tried studying in the evenings from 5:30 to 9:30. I enrolled in an industrial engineering course at Adamson University. I paid almost \$50 for the course, then I had to stop because it was too heavy combined with work. But I would like to finish the course.

What I really want to do is apply to go to the U.S. or Canada to work, so that I can send home money for my younger brothers and sisters to go to college. They don't want to work on the farm, and my father doesn't want them to either. I applied at the Canadian Embassy for work as a babysitter. After they filled 30 positions, they closed the applications. I'll take any job—as a babysitter, chambermaid, or anything else honest. □

"I can't afford the 75¢ bus fare to visit my home."

photo: Rachael Grossman



3 DAYS OF MASS HYSTERIA

PENANG, Sat. — Mass hysteria continued successively for three days among women production workers on all shifts of a factory in Bayan Lepas here. More than 10 workers in the production line at the factory were again gripped with hysteria at about 10.15 this morning.

WITHOUT STRIKES, without unions, without collective bargaining, Malaysian workers have regularly shut down factories for hours and even days at a time with spontaneous outbreaks of possession by spirits affecting hundreds of workers. "Spirits" provide Malay women with one of their few culturally acceptable forms of social protest. Their culture does not condone expressions of anger and strong emotions by women.

A possessed woman becomes "hysterical," going into contortions and often taking on a totally different voice and personality. In one possession which I witnessed, ten adults were needed to restrain a very slight teen-aged girl. In another, a worker who was possessed in her hostel began to shout that she hated being there, hated working in the plant and wanted to go home to her mother. Afterwards, she and others went to great pains to explain that it was not she who was speaking but a spirit who was speaking through her. Hence, she was not responsible for what she had said.

Mass possessions in the factories usually occur during times of high production pressures, changes in the production process or other generally recognized tension. Incidents commonly begin with one worker seeing a spirit in her microscope, often that of her mother. The vision sweeps through the factory floor, and suddenly several hundred women are hysterically weeping and writhing. Though management personnel try to remove the affected women from the floor immediately, the outbreaks frequently close the factory down in a subconscious wildcat strike. One American manager openly acknowledged the connection between possessions and working conditions: "If people believe management cares, there are no problems. Hysteria doesn't occur." Affected workers always receive a paid two-week medical leave in a further, implicit admission that possession is linked to working conditions.

Workers and management alike offer many explanations for the epidemics, usually revolving around unhappy spirits or ghosts. According to one theory, the spirits are ghosts of prisoners of war killed on the factory sites by Japanese during World War II. Management efforts to end the outbreaks have ranged from importing industrial relations experts from New York to hiring local spiritual healers, on a monthly stipend, to exorcise the spirits. But the possessions continue. □

here is a louse, just like an "elder brother pig." He's always getting fresh with us girls . . . Next year for sure I'm going to get work in Taipei.¹²

Particularly common is dissatisfaction because families have become so dependent on their daughters' income that they resist the daughters' wishes to marry. After marriage, the women either stop working or use most of their income to set up a new household.

Industry personnel policies which encourage Western manners and consumption habits often make it difficult for women workers to fit into their communities and families. Thus when their periods of employment in the semiconductor factories end, they face serious questions about their ability to find other jobs or marry. Church organizers in South Korea, where electronics industries are over ten years old, report that many former electronics workers have no alternative but to become prostitutes to support themselves.

While their new economic roles actually bring women workers into an international system, the companies deliberately work to prevent them from recognizing their own importance. The stress on foreign images of femininity fosters the illusion that consuming Western products makes a woman part of an international culture. The stress on competition and individuality makes it difficult for women to cooperate with each other in the same plant, much less develop links with women working in the same industry in other countries.

The ramifications of the electronics companies' manipulation of their women workers reach into other "female" industries as well. Semiconductor firms have divided their workers from those in other industries by requiring more education as a condition for hiring and creating an image of superiority among them. Throughout Southeast Asia, workers and observers reported that women in other industries view electronics workers with both envy at their style and apparent freedom and contempt of their flaunting of alien lifestyles. Such divisions make it difficult for workers to cross industry lines to organize themselves or even understand their common position as workers and as women. The industries' manipulation is particularly effective in Southeast Asia, because industrial work in general is so new there. Few women have been "toughened" by experience in wage labor, and few have begun to feel the long-term contradictions which their present work implies.

Nonetheless, resistance is beginning. Regular reports of protests, sit-ins, and work stoppages come from established factories in Hong Kong, Taiwan, and South Korea. Worker militancy in Hong Kong during the late 1960s discouraged further foreign investment for several years and may have been the catalyst in the decision of many semiconductor firms to locate new factories in other Asian countries. Even in these newer factory posts, resistance is taking shape. In the Philippines, for example, workers in one U.S.-owned plant are developing a union despite heavy government restrictions on all labor organizing. Workers periodically halt production for short periods to press demands in all Southeast Asian countries.

A major aspect of organized worker resistance—in the Philippines, South Korea, and Hong Kong as well as in California—is the investigation of their particular roles in international production. As they challenge the companies, workers find they must understand this international structure if they are to be successful in organizing across national and eventually industry lines. In one first step toward developing an

Chemical analysis of women

— a chandra —

SYMBOL:

WOE

OCCURANCE:

Found wherever men exist.

PHYSICAL PROPERTIES:

Very active — Boil at nothing and may freeze any minute. Melt when properly treated. Very bitter if not well used. Great pretenders. Where spreading of news and incidents are concerned, they are better than BBC.

CHEMICAL PROPERTIES:

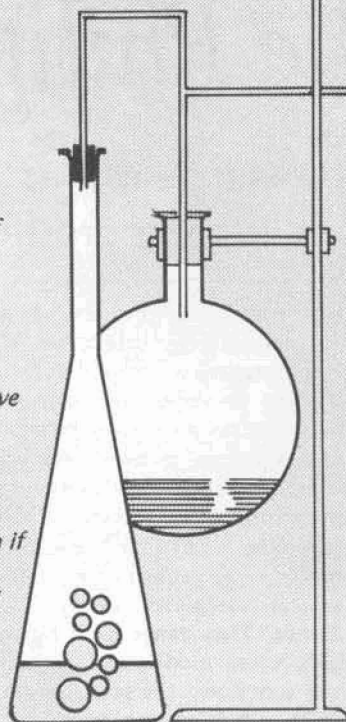
Very active. Possess great affinity for gold and precious stone. Very choosy. Violent reaction when left alone. Able to absorb great amounts of expensive food and clothing. Turn green when placed beside better looking specimens. Age rapidly. Possess the best accessories which men like most.

USES:

Highly ornamental. Useful as a tonic in acceleration if in low spirits, etc. Equalise distribution to wealth. Are probably the most powerful (Income) reducing agent.

CAUTION:

Highly explosive when in experienced hands.



A Human Relations Publication

Published by Motorola Communications Group, Free Trade Zone, Bayan Lepas, Penang.

international labor movement to confront multinational capital in the semiconductor industry, workers in Hong Kong have organized trips to visit workers in the Philippines, Malaysia, Singapore, and Thailand. One woman summed up her trip to the Philippines in early 1978:

The 11-day trip was over, but the sight and sound of the Philippines was embedded in my heart. The Hong Kong workers should learn from them, because generally speaking we were not so aware of fighting for power. This tour has helped me to identify my role.¹³ □

Rachael Grossman has lived in Indonesia and traveled throughout Southeast Asia. She has worked at the Pacific Studies Center researching U.S. corporate involvement in Asia and also helped found an electronics health and safety project in California. She is now a staff member of the Southeast Asia Resource Center.

FOOTNOTES

Unless otherwise cited, interview material was obtained during a fact-finding trip to Hong Kong, Malaysia, Singapore, Indonesia and the Philippines from November 1978 to January 1979.

1. Operator's Handbook; Advanced Micro Devices (Philippines), p. 6.

2. Daniel Dhakidae, "If Management Works Well, Then We Don't Need a Labor Union" (interview in Indonesian), *Prisma*, September 1976, p. 45.

3. Interview with a National Semiconductor executive, October 1978.

4. *Wall Street Journal*, September 20, 1972, p. 36.

5. Linda Y. C. Lim, "Women Workers in Multinational Corporations: The Case of the Electronics Industry in Malaysia and Singapore," *Michigan Occasional Papers*, No. IX, Fall 1978, p. 7.

6. *New Straits Times*, November 27, 1978, p. 32.

7. Lim, op. cit., p. 30.

8. Interview with a National Semiconductor executive, October 1978.

9. *New Nation* (Singapore), January 24, 1975.

10. Enrico Paglaban, "Philippines: Workers in the Export Industry," *Pacific Research*, Vol. IX, No. 3 & 4 (March-June, 1978), p. 18.

11. Lim, op. cit., p. 32.

12. *Voices*, Christian Conference of Asia-Urban-Rural Mission, Japan, October 6, 1978, p. 15.

13. Linda Gale Chen, "The Effect of Industrial Employment and Management Policies on the Lives of Taiwanese Working Women," paper delivered at a conference on "Modern Man and His Industrial Environment," May 13-14, 1978, Taichung, Taiwan, p. 16.

Other sources of important information are:

"Free Trade Zones and Industrialization of Asia," special issue of *AMPO*, Tokyo, 1977.

Silicon Valley: Paradise or Paradox? (Pacific Studies Center, October 1977).

Both are available from SRC.

'Hospitality Girls' in the Philippines

Over 100,000 Manila women serve the tourist industry as prostitutes.

by A. Lin Neumann

GOOD EVENING sir, please come inside." The tone is alluring and the woman beautiful. The scene, repeated thousands of times nightly among the crowded nest of nightclubs in Ermita, the tourist "belt" of Manila, symbolizes the special burden borne by women under the new foreign-oriented model for economic development. Pushed out of the countryside by poverty, women come to the cities in search of the new jobs offered to them more than to men. But the real opportunities are less than they had imagined. There are not enough jobs, and they are poorly paid. The other major growth industry in countries like the Philippines is tourism, which often demands more of women than their labor. The procurement of women for pleasure, particularly the pleasure of foreigners, is a multi-tiered system in the Philippines. Open invitations to enjoy the mysteries of a "hospitality girl" are only the most visible manifestation of a prostitution phenomenon which grows larger with every percentage growth in tourist arrivals.

Director Lucina Alday of the Bureau of Women and Minors of the Ministry of Labor estimates that there are as many as 100,000 women employed in the "hospitality industry" in Manila. The industry includes hostesses who dispense their favors in cocktail lounges and nightclubs, waitresses (an often ambiguous term), go-go dancers, and sauna bath attendants. "Hospitality" is generally taken to be a loose euphemism for prostitution, because the wages paid by club owners are scarcely liveable. The well-known desire of tourists and leisure-class Filipinos for available women provides a substantial source of additional income. The 100,000

figure may even be misleadingly low as applied to prostitution per se. Government statistics account for only those women employed in licensed establishments, who must obtain health permits and undergo periodic venereal disease checks. Father Toru Nishimoto, a Redemptorist priest who counsels with Japanese tourists and has followed the prostitution problem for years, identifies several categories of the business in Manila. They range from high-priced call girls, often models and film actresses, all the way down the scale to streetwalkers. Prices run from as high as \$200 down to about \$7.00 a night. Call girls, brothels and streetwalkers do not obtain government permits.

Prostitution in the Philippines has always flourished in places where there is a heavy concentration of foreigners—witness the rows of clubs adjacent to the United States military bases in Angeles and Olongapo. (See box) Today there are heavier concentrations of foreigners than ever before due to policies introduced since President Marcos imposed martial law in 1972. As a major governmental priority, tourism has grown from a negligible dollar earner in the 1960s to the nation's fourth largest source of foreign exchange in the late 1970s. In 1977, tourism brought in over \$300 million, \$262 million more than in 1972.

AS THE NEAREST rich country, Japan provides much of the new tourist business. Twenty-nine percent of all visitors arriving in the Philippines are Japanese, and the tourist industry is particularly accommodating to Japanese men. Prostitution has been banned in Japan since 1958, and free access to women has long been offered as an inducement to visit the poorer countries of Asia. Because they usually

travel in groups, Japanese are especially conspicuous in their pursuit of women. It has become a familiar sight in Manila to see bus loads of Japanese men pull up outside a club, disembark, and go inside to choose a partner for the evening.

Philippine Ministry of Tourism figures indicate that the Japanese are the biggest spenders of all nationalities who visit the country. In 1977, over 200,000 Japanese visitors spent an average of nearly \$55 a day on food, drink, shopping, and lodging. Nearly 85 percent of the Japanese tourists are male, and a healthy number of them double the per capita figure with unreported yen spent on women. With such a market, both foreign and local tour operators have been quick to organize both the women and the visiting men.

Examination of the tour operations reveals glaring evidence of the routine exploitation of women by operators who see them as commodities to be assigned and dispensed with in as efficient a manner as possible. Typically, a large Japanese operator will advertise a "package tour" to the Philippines in cooperation with a large Manila agent. The deal includes everything from shopping to hotel to women, who are either chosen from picture books in Japan or selected in person in one of the large clubs, some employing over 200 women, during the "night life" tour.

Sources in the business report that the men on tour pay an average of \$60 for one night with a woman. Very little of the figure arrives in the hands of the women. A rough breakdown looks like this:

club owner	\$15
tour operator	15
local guide	10
Japanese guide	10
total	\$60

other. When they take on the styles and mannerisms encouraged in the factories, they may find themselves ostracized by their families and communities. Yet if they do not, they find themselves considered "backward" and perhaps unfit for factory work. One Malaysian worker recounted an experience familiar to many:

When I first came to Penang, I lived in the *kampung* [village] near the factory because it reminded me of my *kampung* back in Ipoh. But after a couple of months I moved out of the *kampung* and into a boarding house in the town because all the older *kampung* men were bothering me, telling me that I was loose and bad . . .

The poignancy is heightened when one remembers that most electronics workers will be forced by deteriorating vision to leave their jobs before they are 30.

TIES TO CALIFORNIA

WHILE THEY SEEK to become members of a global culture by consuming its products, Asian electronics workers in fact share much more than they know with their California co-workers. Approximately 60,000 assemblers work in the plants of Silicon Valley to begin the semiconductor production process and to test the finished products after Asian assemblers have completed their work. Ninety percent of these American workers are women, and roughly half of them are of Asian and Latin origin, including Filipinas, Koreans, Vietnamese, Mexicans, Azoreans. Unlike their Southeast Asian sisters, many of the women in California plants are single mothers who provide their families' primary support.

Workers in Asia and California are subject to many of the same conditions and problems, including job hazards, high production pressures, coercive discipline and human relations techniques aimed at preventing independent worker organizing. In California, the hazards arise from the great number of chemicals used in the fabrication of silicon wafers. The pressure to produce is expressed in forced overtime, speed-ups and competition. California executives regularly attend seminars on "How to Make Unions Unnecessary," which simulate organizing drives and discuss likely organizer personality types. It is in such management meetings that the personnel techniques are refined for use in California and export to Southeast Asia.

Women in California are very aware that women in Asia carry out part of the production process, because their employers constantly remind them. Many of the Southeast Asian electronics workers, however, do not realize that women in California do work very similar to their own. The companies use the international division of labor to manipulate and intimidate their workers, rather than providing ways for the workers to develop a feeling of kinship among themselves. California workers are threatened with the loss of their jobs if they organize themselves or make too many demands on their employers: the plant can always relocate to Asia. Ampex, a California do work very similar to their own. The companies use operations to Taiwan. For the Asian workers, the immediate threat is not that the plant will move. Rather, they are presented with the productivity records of workers in other subsidiaries and pushed to produce more to keep up with or surpass them. But they do not receive information about workers in other subsidiaries which would help them to identify with them as colleagues or sisters.



DILEMMAS AND CONTRADICTIONS

THE SEMICONDUCTOR INDUSTRY presents its Southeast Asian women workers with short-term dilemmas and long-term contradictions. Jobs which seldom last longer than four years can bring profound changes into their lives for years to come. While the newness of the industry in Southeast Asia means there are relatively few veterans of semiconductor employment, it is essential to consider what will happen to these workers when their time in the electronics plants is over.

For the short term, the tens of thousands of jobs the electronics industry has brought to each Southeast Asian country have created new economic roles for women, potentially raising their status and undermining the patriarchal structure which often makes families oppressive for women. At the same time, however, by stressing Western versions of feminine passivity, the companies have been able to prevent the workers from realizing their potential for independence.

In Taiwan and Hong Kong, where the industry has offered employment for over a decade, workers complain that their families have pressured them to remain in the factories despite their personal wishes not to. Their complaints also reveal the impact of the factory culture in creating impossible dreams, as in this narrative from a Taiwanese worker:

I'd like to learn singing. I like music. Then I could be a singing star. But my family doesn't agree to that. Right now I'd like to quit this company, but my mother says to stay because the pay at this company is higher . . . The manager

"WANTED"
HOSPITALITY GIRL

OPEN DAY & NIGHT



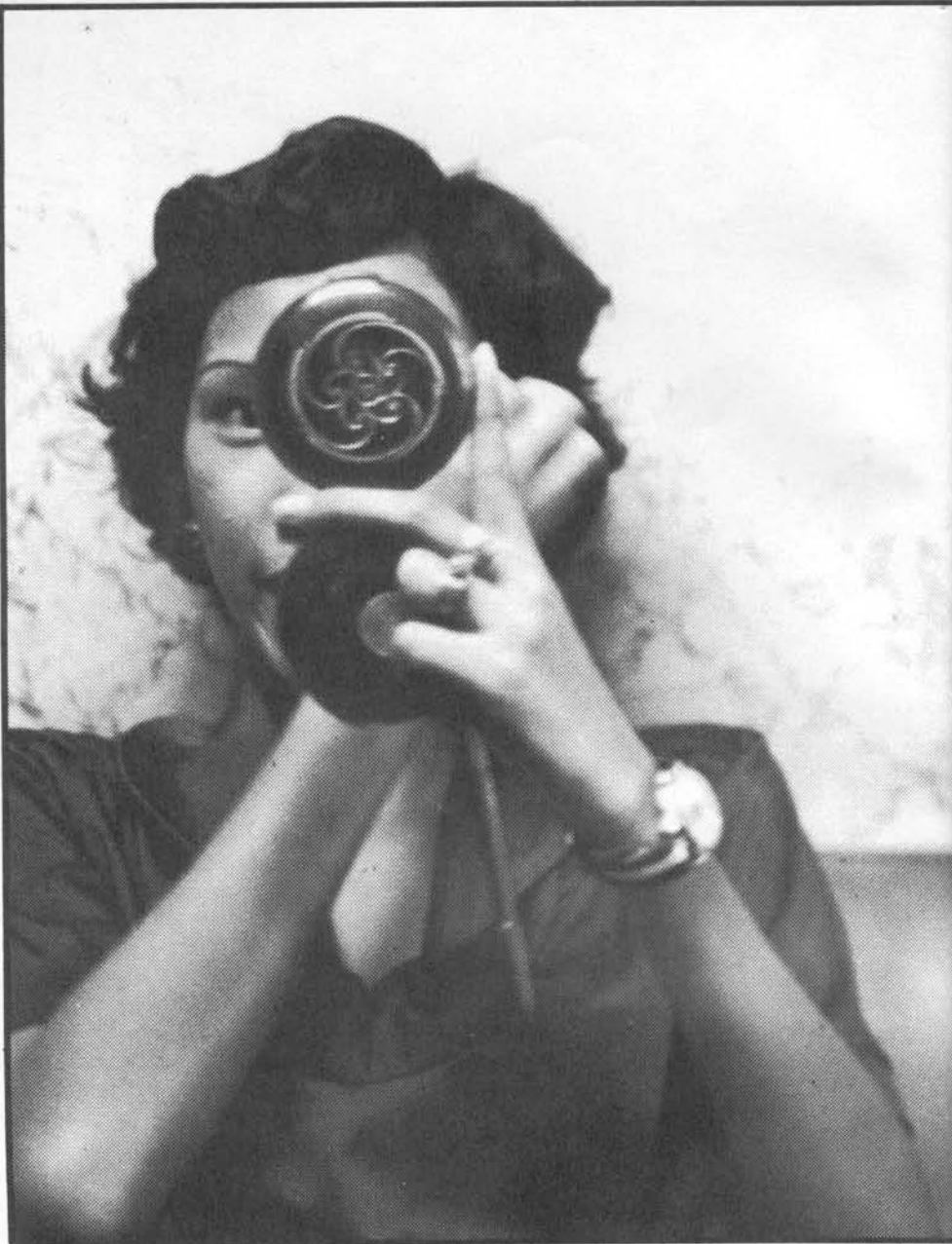
The women receive between \$4.25 and \$5.75 from the owner's share. They report that often they do not get even that much, because the club management imposes fines for improper dress, smoking, drinking, tardiness, and other arbitrary infractions.

When asked how they survive, the women at Le Beau, a large club catering to the Japanese trade, said that they depend on tips. "Usually the Japanese will give us money or gifts but sometimes," laughed Selya, 18, "TY only." ("TY" is common Manila slang for "thank you.")

The item under "joiner pass" reveals the close relationship between local capitalists and the "hospitality" industry. In 1976, the Philippine government financed the construction of several new first-class hotels in Manila to house delegates to the IMF/World Bank convention, despite widespread criticism of the project as an inappropriate investment for the government of a poor country. Since then, the hotels have been plagued with occupancy problems. According to government statistics, none of the new hotels managed any better than 60 percent occupancy for 1977, and many fell considerably below that figure. Hence, receipts from the "joiner pass" system have become an important part of hotel revenues.

The Manila Midtown Ramada, owned by Chinese industrialist John Gokongwei, has a typical, although unusually explicit, procedure for handling the women. The hotel passes out sheets printed in Japanese and addressed, "To our Japanese guests with ladies." The sheet lays out the system: the women are to be admitted after 5:00 p.m. through the employees' entrance; they are to leave by 8:00 the next morning; they are not to be taken to any of the public areas of the hotel, and all food and drink orders must be by room service. Finally, the hotel charges a "joiner's fee" of \$10 for the right to take the woman into the room. One source reported that the Ramada management has admitted to making 40 percent of its gross income from the "joiner" system.

There is no attempt to hide the business from prying eyes and apparently the hotel operates with complete protection even though prostitution is technically illegal. It is important to add that this is not a cheap waterfront dive but a respectable, first-class, government-financed accommodation. It is obvious



that the Manila police are involved when one observes several uniformed officers accepting bribes from the women as they leave in the morning. Women who are taken frequently to the Ramada and other hotels report that they have to pay \$1.50 each per evening to the police for protection.

The Ramada is not the only hotel active in the industry. According to one hotel marketing specialist, even the Manila Hotel, the most luxurious in the city, owned by the Government Service Insurance System, yields to tour groups who bring women into the hotel. (A

group of Italian tourists recently threatened to move their business away from the hotel in a tiff with the management over the presence of prostitutes. The hotel gave in.) The marketing specialist reported that nearly all hotels acquiesce in the trade. "They don't want to," said the woman, "but they have to survive."

Not all men who come to the Philippines seeking women are Japanese. But Americans, British and Australians are much less likely to move in groups. Rather, they haunt the cocktail lounges of Ermita or find women with the help of hotel employees or taxi drivers. The lounges are typically small dingy bars



Olga (left) and Felisa getting ready for work after our interview.

where the beer is cheap and the women plentiful. A man will enter the establishment and then either choose or be approached by a woman at his table. If she stays to keep him company he buys her a "ladies drink" for about \$1.75, and if he wants to take her out of the club he pays a "bar fine" of between \$14 and \$21. The women generally get half the price of ladies' drinks and half the bar fine. There is no other wage. This explains the often desperate scene of elaborately costumed women shouting and grabbing foreigners along the streets of the tourist district to invite them inside for a drink.

LIKE THE WOMEN who come to the military bases, those who come to Manila are fleeing rural poverty. Although there are no precise figures, it is generally accepted that most of the women coming to Manila are from the central Philippine provinces of Leyte, Samar, and Cebu, all economically depressed. In the view of Karina Constantino-David, a sociologist at the University of the Philippines, "For the majority of the prostitutes it is a case of being denied access to the goods of society. They have nowhere else to go." This is true for all but the most highly paid call girls, who are often well

educated, from wealthy families, and enter the business for excitement or to support a luxury life-style.

Elenita, 25, with a daughter and separated from her husband, works at Le Beau. She came to the club because a friend brought her and she needed the money. She didn't intend to become a prostitute, "But the men were already there." She admits to no real plans for the future and says the job "is OK because I need the money."

Felisa is 28 and single. She has been at Le Beau for several years. She comes from the Bicol region and is supporting her parents and sending a brother through school with her earnings; she also supports an "adopted" baby. The adoption, she explained, was actually a purchase from another hostess for \$100. "I didn't want to be lonely and I didn't want to ruin my body by getting pregnant," she said.

Olga, 18, was first taken to work in a bar as a go-go dancer when she was 14 by her mother. Her beauty was regarded as an asset by a family plagued with poverty in Samar. She lost her virginity the first night of her employment at Le Beau two years ago. "I am ashamed to work in that place, but I do because of financial reasons."

Gina works on M.H. del Pilar Street in Ermita at the "Legs" cocktail lounge. She is 16 and has learned how to hustle customers into the lounge, whereas the women at Le Beau just wait for the Japanese tour busses to arrive. She works every night from 5:00 p.m. to 5:00 a.m. "My boyfriend in the province took me and then left," she explained. "I was ashamed and we are very poor, so I left with a friend and came here. I send some money to my family. They think I am just a waitress."

After a time, the stories take on a depressing similarity. Poor young women, usually with a tale of being jilted or separated or taken advantage of, feel they have nothing to lose by entering the trade. Codes of sexual morality are strict in the Philippines, and the contrast between the ideals of the "seductive mistress" and the "chaste wife-mother-sister" is particularly strong. However, a woman engaging in premarital sex can regain her "virtue" if she eventually marries her lover. If the relationship ends without marriage, she falls out of the "respectable" categories. "The minute they lose their virginity they feel hopeless," says Veronica Pineda, who

works with prostitutes under the auspices of Catholic Charities of the Philippines. The government's Alday notes "the ostracism of these girls by nearly all sectors of society" as a major problem in rehabilitating them.

While "lost virtue" helps push women into prostitution, the financial rewards encourage them to make it a career. Although it is impossible to determine average income, many of the women interviewed reported monthly earnings in the \$200 to \$300 range. This, in a country where a sales clerk or factory

any connection between tourism and prostitution, if ever there is, we do not play it up." Yet the ministry has co-sponsored seminars on venereal disease prevention among club and sauna bath owners in the tourist district. Officials are hesitant to grant interviews, however, and there is a general sense of see no evil, hear no evil in the halls of the ministry. Similarly, while the Hotel Code of 1976 requires owners to report prostitutes and "suspicious characters" to the police, municipal governments in Metro Manila require all hostesses and waitresses to

"At the Ministry of Tourism, officials do not admit there is a problem."

worker makes a minimum wage of \$1.60 a day, is hard to abandon. With little education and no vocational training, "What else is there?" asked Felisa. "What else can I do?"

ON THE GOVERNMENT side, the response to the growing prostitution phenomenon has been both slow and inadequate. The chief institutional agent for the care of women in the hospitality industry is the Bureau of Women and Minors under Alday. The bureau is primarily concerned with enforcement of Presidential Decree 148, which includes waitresses, hostesses, and sauna bath attendants in the work force and thus entitles them to the protection and benefits of the labor code. Director Alday says that very few of the women enjoy their benefits, and her office is attempting to educate them on their legal rights. In addition, the bureau conducts a seminar for women applying for licenses as "hospitality girls" to protect them from the dangerous possibilities of the occupation.

Alday believes her work reflects the personal concern of Imelda Marcos for the welfare of prostitutes. When asked about the structural link between prostitution and tourism, however, she conceded, "This makes our work quite difficult." She added that there is some tension between her office and the Ministry of Tourism over the issue. At the Ministry of Tourism, officials do not admit there is a problem, and they deny any part in the creation of a prostitution industry in Manila. An official of the ministry stated, "I really do not know of

undergo regular VD checks by government doctors.

Under Martial Law, there is no free press or public discussion of administrative priorities in the country. The big drive for tourism is relatively new, begun with the creation of the Department (now Ministry) of Tourism in 1974 under former Marcos press agent Jose Aspiras. But despite official sanction not everyone views tourism as beneficial for the nation's development. During the parliamentary elections held in April 1978, the opposition party vigorously opposed exploitation of women. No one from the opposition was elected, and reports of government cheating were widespread. A source in the hotel industry reported that Minister Aspiras called all major hotel owners and tour operators together during the campaign and pressured them to instruct their employees to vote for the administration, because the opposition would destroy the tourism industry.

The Philippines does not have a widespread women's movement, and the predominant reaction to prostitution continues to be focused on the women's individual morality. Director Alday asserts that "The 'girls' turn to prostitution because of neglect from religious and civic groups and general misunderstanding." As long as the government continues its pursuit of the industrial world's leisure dollars, however, there is no end in sight to the rise of prostitution in the Philippines. Thus calls to individual reform and acceptance of standard morality by the women miss the mark. The crux of the issue is summed up repeatedly in interviews with the women themselves: "I



A madame in a Manila whorehouse.

hate it, but I just need the money." There is no other way to get it. □

A. Lin Neumann is on the staff of the United Methodist Church in Washington, D.C. He recently returned from a two-year stay in the Philippines.

THE BASIC ELEMENTS of prostitution in the Philippines are the same in Manila, the smaller cities, and the cities that service U.S. military bases: rural poverty drives women to the city; they are exploited by tour operators, pimps, hotel managements and their customers; and the government unofficially but energetically encourages the trade. But there is a poignancy to prostitution in Olongapo City (Subic Bay Naval Base) and Angeles City (Clark Air Force Base) which makes it different from other places in the country.

In Manila and other large cities, prostitutes and "hospitality girls" look at their work in purely monetary terms. Transient tourists do not offer even the illusion of a long-term relationship. Only in Olongapo and Angeles do U.S. servicemen, with one- or two-year tours of duty, offer the possibility of marriage, escape from poverty, and the realization of the "American dream"—being able to emigrate to the United States.

The "success" stories are common enough to continue the flow of women into the trade. A parish priest in Olongapo reports that as many as 15 marriage licenses a day are issued for Filipino-American marriages. Some women do manage to accompany their husbands to the United States. Others get divorced. Since the most common arrangement is for couples to live together without marriage, most "wives" are abandoned when the serviceman's tour of duty is over. For most of the approximately 30,000 prostitutes at Subic and Clark, however, marriage to a serviceman remains a dream.

There is, moreover, a raw quality to prostitution in the base towns that sets it off from prostitution in other cities. The level of violence and drug usage is higher than in Manila. When asked what happens to the women as they grow older, one Catholic nun who works among them commented, "Many of them die before they grow old because of drugs." Other women are reduced to performing lewd acts in the clubs after they lose their sexual desirability. At best, women face a life of constant insecurity made particularly tragic by the children they bear and cannot support.

"Most of these women have babies," one informant said. Government statistics show that an average of 30 Amerasian babies are registered each month in Olongapo, but many more are never officially accounted for. The sheer numbers of children have led to disturbing consequences for many of them. There is a large market in babies from Olongapo with white fathers. They are sent to wealthy Manila families who covet the *mestizo* mix, especially in young girls, who are considered more beautiful than native children.

The children who remain in Olongapo are often prone to failure due to their mothers' lifestyle and the obviousness of their parentage. They go "from the womb to the street for self-survival, to Boy's Town [a home for abandoned children], to jail and back to the street in a continuous cycle," said the sister. One boy, age 18, has four different fathers in his background. He is the child of an American sailor who abandoned his mother. He completed only two years of schooling and supports himself by stealing. "I could repeat the story a hundred times," said a social worker who handles prison cases.

Often a child is sent out into the streets at the age of three or four, when there is no longer room in the house and his income is needed. School is usually troublesome because of harassment and taunts of "Your mother is a hostess." There is evidence that many girls follow in their mothers' footsteps into the bars while the male children become expert at picking pockets, drug dealing and gang life.

Olongapo and Angeles point up the human side of U.S. military operations. They are a visible signpost of the implications of the American presence, one cemented by the recent Carter-Marcos agreement on the bases. The streets of Olongapo and Clark are full of children whose looks would place them comfortably in any American suburb but whose heritage is one of abandonment and suffering. As long as the bases remain, this problem will not go away. There are no easy answers to the garish strip, the sounds of American music, or the haunting eyes of children caught and marked by a sordid world. □

Where Do You Go When the Ship Sails Home?



photo: A. Lin Neumann

by Lenny Siegel

AS THEY HAVE moved into Southeast Asia in pursuit of big profits and cheap labor, U.S.-based multinational corporations have enjoyed substantial assistance from the United States government. Indeed, the partial transformation of Southeast Asian countries into labor-intensive "export platforms" has been an explicit element in recent U.S. policy toward the region. "Export-oriented industrialization" is the latest entry in the post-World War II contest for non-communist development models. Its advocates believe it will enrich the host countries and simultaneously give them a lasting stake in remaining tied to the international capitalist economic system.

Working directly and through international agencies, the U.S. government has actively helped to create the conditions for export manufacturing, and it continues to offer direct and indirect subsidies to American corporations and Southeast Asian governments. Its activities include ideological, political and financial dimensions: (1) persuading Asian governments to pursue strategies of export-led development; (2) helping non-communist regimes suppress and occasionally coopt genuine labor movements; and (3) subsidizing export manufacturers through special tariff provisions and government insurance. The U.S.-dominated World Bank/IMF and Asian Development Bank finance much of the infrastructure each Southeast Asian nation needs to host foreign manufacturers.

EXPORT-LED DEVELOPMENT

SINCE WORLD WAR II, the United States, working with its allies and international institutions, has encouraged the rise of independent, pro-capitalist governments in Southeast Asia. In most nations, this has meant military intervention or assistance to combat indigenous communist movements. It has also involved the training and sponsorship of "technocrat" economists and social scientists, who now dominate planning functions in the Philippines, Malaysia, Singapore and Indonesia. The "export-oriented industrialization" strategy to which they are now committed centers



ORCHESTRATING DEPENDENCY

The U.S. Government actively promotes development patterns which serve the world market at the expense of Asian workers.

on the development of industries which manufacture goods for export rather than the creation of industries aimed at supplying the needs of their own countries. Such industries are overwhelmingly foreign owned, but governments welcome them because they bring capital, jobs and the promise of large earnings on the world market.

This strategy has replaced an earlier program known as "import substitution," in which native industries were encouraged to produce goods formerly imported from the developed world. The new approach has received the full backing of the World Bank and other capitalist institutions. According to World Bank head Robert McNamara, "... special efforts must be made in many countries to turn their manufacturing enterprises away from the relatively small markets associated with import substitution, and toward the much larger opportunities flowing from export promotion."¹ The World Bank followed up its general backing of export manufacturing with specific recommendations, which were implemented by its technocrat friends throughout Southeast Asia. In the Philippines, for instance, a World Bank study recommended several tariff, tax, and land-use policies to encourage export industries. Under the leadership of Gerardo Sicat, of the National Economic Development Authority, the Philippines granted tax exemptions, import preferences, construction assistance, and guarantees of profit repatriation to exporters. It also established the Bataan Export Processing Zone, where foreign-owned plants were virtually exempt from tariffs and taxation.

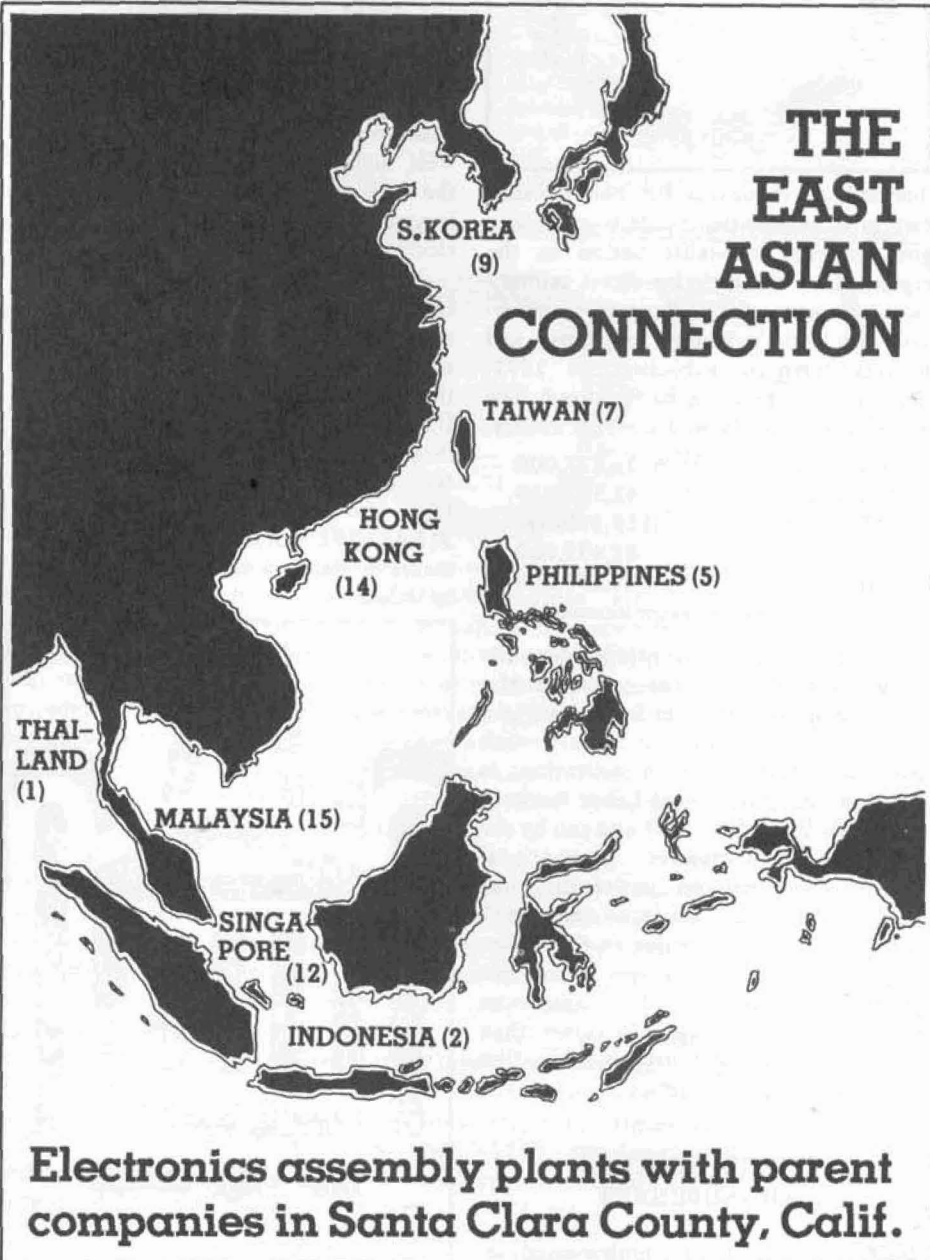
In Malaysia, American advisers from Harvard's Development Advisory Service—funded by AID and the Ford Foundation—provided the stimulus for the promotion of export manufacturing in the Second Malaysia Plan (1970-75). Not only did they help prepare the plan itself, but they trained the technocrats who authored and implemented it. This economic plan called for the creation of 108,000 new manufacturing jobs and led the Federal Investment Development Authority to launch a worldwide campaign to attract electronics investment. This pattern has been repeated throughout Southeast Asia as U.S.-trained technocratic elites and U.S.-dominated international agencies have formulated development policies based on export-led industrialization.

POLITICAL INTERVENTION

TO ASIAN governments, multinational corporations appeared as important sources of development capital. For the corporations, the main reason for locating in Asia, and particu-

maintain a low standard of living—and low wages—while preventing effective labor organizing.

In Indonesia, for example, a tradition of labor militancy kept most foreign companies at bay until 1965, when a group of right-wing generals with links to the U.S. seized power. It may never be



larly Southeast Asia, was the availability of cheap and disciplined labor. Although many Americans consider cheap labor to be a natural phenomenon in Asia, it is actually to a large extent the product of a range of repressive policies carried out by authoritarian governments whose military and police forces have been armed and trained by the United States or Great Britain. The effect of these policies is to

known how directly the United States aided that coup, but American training and equipment, supplied both before and after the coup, allowed the Indonesian army to oversee the killing and intimidation of labor activists. Today the Indonesian government, like other Southeast Asian regimes, bans most strikes and closely supervises labor organizing.

U.S. arms aid to Southeast Asia



focused on Indochina for two decades, but now substantial military assistance goes to each capitalist nation in the region. Such aid includes direct military sales, discount sales of "excess" commercial products, training programs, and various financial subsidies. In 1977, combined military aid to Southeast Asia amounted to nearly half a billion dollars:

Indonesia	\$ 26,727,000
Malaysia	42,557,000
Philippines	119,590,000
Singapore	83,439,000
Thailand	128,853,000

(figures rounded to nearest thousand)²

While general military repression has been the most important guarantor of a weak labor movement in Southeast Asia, the U.S. has also worked directly with labor organizations. Such institutions as the Asian-American Free Labor Institute (AAFLI)—funded by AID and run by the AFL-CIO's conservative international division—have worked to teach Asian workers American "business unionism." AAFLI, particularly active in the Philippines and Indonesia, where strikes are prohibited, emphasizes the bureaucratic aspects of union leadership rather than mass organizing, and stresses arbitration rather than confrontation.

INFRASTRUCTURE AND SUBSIDIES

THE U.S. HAS supplemented its ideological and political influence on the Asian investment climate with hard cash. Through the Asian Development Bank (ADB), in which the United States and Japan share leadership, the U.S. has supported infrastructure development critical to modern manufacturing investment. In a particularly clear case, the ADB provided \$11 million for improvements in the international airport

at Penang, Malaysia, in 1972, just as the Malaysian electronics industry, centered at Penang, was getting off the ground. Electronics components are shipped by air freight. Later the ADB provided \$25 million to upgrade Penang's seaport.

Officials promoting electronics investment even link foreign-sponsored infrastructure development to maintenance of a political climate favorable to investment. In 1975, for example, a representative of the Malaysian Federal Industrial Development Authority told a U.S. business editor that Malaysia's new East-West highway, also financed in part by the ADB, would help combat communist insurgency and thus protect foreign electronics investors.³

Finally, the U.S. government directly subsidizes export production by American corporations in Asia through tariffs and insurance. The Overseas Private Investment Corporation (OPIC) insured U.S.-based firms against loss of assets through expropriation, war and insurrection, and currency inconvertibility. Since 1975, for example, OPIC has insured \$12,413,282 worth of electronics investments in Malaysia and \$2,875,000 worth in Indonesia.



U.S. tariff codes also encourage investment abroad in labor-intensive industry. Ostensibly to encourage American-owned overseas plants to use American-made materials and components, tariff code provisions 806.30 and 807.00 require importers from such plants to pay duty only on the value added abroad. Hence, the value of raw materials or parts



exported to the production plant is subtracted from the value of the product imported from that plant to the United States. Because foreign assembly costs are low, and because companies making intracompany transfers can somewhat arbitrarily assign value to overseas work, this reduces duties substantially. In 1975, the total value of semiconductor parts imported to the U.S. under 806/807 regulations was \$139,620,000 from Malaysia, \$114,750,000 from Singapore, and \$24,560,000 from the Philippines. Only about half of those sums were dutiable under 806/807 stipulations. Under pressure from organized labor concerned about runaway shops, the U.S. Congress has considered repealing or changing these tariff privileges several times. Each time, U.S. multinational manufacturers have lobbied hard for the status quo. Especially prominent among them have been representatives of the semiconductor industry such as W. J. Sanders of Advanced Micro Devices, with plants in Malaysia and the Philippines. He testified in 1976 that the semiconductor industry is the biggest user of 806/807, because the industry's profits depend on its ability to transfer part of its production process abroad.⁴

Well suited to the economic requirements of multinational capital and the political requirements of anti-communist governments, the strategy of export-led development depends on close interaction between corporate capital, U.S. government, international agencies and foreign governments. To the extent that this interaction continues, it binds the developing countries of Southeast Asia more and more closely into the world capitalist economy. □

Lenny Siegel is director of the Pacific Studies Center in Mountain View, California.

FOOTNOTES

1. 1974 Address to the Board of Governors, pp. 28-29.

2. Figures include military sales agreements, commercial exports, military assistance programs, excess defense articles, and military training.

3. *Palo Alto Times*, Palo Alto, California, Sept. 9, 1975, p. 26.

4. Testimony before Subcommittee on Trade of U.S. House of Representatives Committee on Ways and Means, "Special Duty Treatment or Repeal of Articles Assembled or Fabricated Abroad," March 24 and 25, 1976.

(Washington, D.C.: U.S. Government Printing Office, 1976), p. 40.

NOTE: This article is merely a brief introduction to the complex subject of U.S. government support for multinational capital. While there are too many sources of additional information to list here, the following materials will help anyone interested in doing further research to get started:

Payer, Cheryl. *The Debt Trap*. Penguin and Monthly Review Press, 1974 and 1975. An excellent introduction to the international financial institutions and the kind of development they foster in the Third World.

Barnet, Richard, and Ronald Muller. *Global Reach: The Power of Multinational Cor-*

porations. Simon and Schuster, 1975. An encyclopedia of corporate activities, government policies and effects of investment.

Goodfellow, William. "OPIC: Insuring the Status Quo." *International Policy Report* III:2 (September 1977).

"Free Trade Zones and the Industrialization of Asia." Special issue of *Ampo* (Tokyo, 1977). An in-depth look at export-oriented industrialization in Asia. Available from SRC (\$5.00).

The following articles in *Pacific Research*, available from PSC: "Philippines Export Manufacturing" (IX:3); "Fairchild Assembles an Asian Empire" (LX:2); "Marcos and the World Bank" (VII:6); "The U.S. in Malaysia" (VII:4); "Asian Labor—The American Connection" (VI:5).

ACTION

ECOSH (Electronics Committee on Safety and Health): Organizing and education project to improve working conditions in the electronics industry. Publishes a newsletter on health and safety conditions and potential areas for organizing and outreach. Works toward improved occupational health legislation and cooperates with trade union movements in electronics. 867 W. Dana St., Mountain View, CA 94041 (415) 969-SAFE

Pacific Studies Center: Runs an educational project on "Economic Human Rights in Asia's Export Economy" to encourage links between American and Asian workers in electronics, toy and textile industries and to build a coalition of U.S. organizations to alter U.S. policies in Asia. Will produce pamphlet and slide show on Asian production by U.S. companies. Responds to research requests by labor groups in Asia and the U.S. Maintains a public research center on U.S. foreign policy in Asia. Publishes *Pacific Research*. 867 W. Dana, Rm. 204, Mountain View, CA 94041 (415) 969-1545

INFAC (Infant Formula Action Coalition): Community-church coalition concerned with infant malnutrition and

mortality. Works against massive Third World sales of artificial infant formula by multinational corporations. (The promotion of infant formula to Asian and other Third World women provides an image of modernity and superiority while actually contributing to mother and child malnutrition. Infant formula is more expensive than adequate food for nursing mothers, and its preparation requires sanitary conditions seldom available in the Third World.) 1701 University Ave., Minneapolis, MN 55414 (612) 331-3437

Center for Development Policy: Runaway Shops Campaign organizes local citizen-labor coalitions on problems of runaway shops—especially health and safety conditions, wages, working conditions. Encourages economic development in U.S. rather than abroad. 41 C St., NW, Washington, D.C. 20002

East-West Center, Culture Learning Institute: Current research on the impact of multinational corporations on the social, economic and cultural status of women in Asia. Research in eight Asian countries, the U.S., and Canada with initial focus on the electronics industry. 1777 East-West Road, Honolulu, HI 96822

GUIDE

PACIFIC RESEARCH



Volume I

- Number 1: U.S. Military and Economic Invasion of Thailand; Indonesia — Making of a Neo-Colony; International Industrial Conference
- Number 2: Eritrea — Hidden War in East Africa; Big Business and Urban Stagnation; Guerilla Movement in Thailand; Japan — Rising Sun in Asia
- Number 3: Pacific Partnership — U.S.-Japanese Imperial Strategy in Asia; Blough Monday — How Big Business is Using Racism to Fight Unions
- Number 4: Dillingham Corporation — A Case of Expansion; Pentagon's Great Leap Forward — Project Agile in Southeast Asia
- Number 5: Operation Total Victory — Cambodian Invasion; U.S. Academic Counterinsurgency in Thailand; Private Power and U.S. Foreign Policy; Linguistic Imperialism
- Number 6: Laos — Neo Hak Sat (Pathet Lao); Cambodia — NUFK; Secondary Education — Serving the Elite (Part I)

Volume II

- Number 1: Many "successes" of the Alliance for Progress; Secondary Education (Part II); Statement of Ngo Cong Duc
- Number 2: Philippines — Rebellious "Little Brother"; Philippines and the World Bank; "Basic Problems of the Filipino People"
- Number 3: What's Nu in Burma; Cable TV — Stringing Us Along
- Number 4: Rebellion in Bangla Desh; Indonesian Timber
- Number 5: Schooling and Income; China's Tungsten; Aid to Pakistan
- Number 6: Vietnam's Electronic Battlefield; World Bank — A Political Institution

Volume III

- Number 1: Future of Military Aid; Police Technology — Bringing the Toys Home; Herbert Hoover's Food Aid
- Number 2: Humanitarian Aid; Developing Laos; Toward a Community Controlled Press
- Number 3: U.S. Foreign Policy — A Radical Study Guide (U.S. Entry into World War II; Wartime Diplomacy; Postwar Policy); Philippine Copper
- Number 4: Foreign Aid — Who Needs It?; Tom Dooley — CIA; Allende on Development; Trade for Whose Development?; Runaway Electronics; Greek Liberation Program
- Number 5: Post-War Planning for South Vietnam; Researching Foreign Policy; Supermarkets in Thailand; Eco-Establishment
- Number 6: CIA Asia Foundation; Piping Oil Through Thailand; Document — Japan and China; Document from Thailand — "Our Own Affairs"

Volume IV

- Number 1: Special Issue on Regionalism and the Bay Area (Bay Area Council; Bay Area Rapid Transit; Regional Government — A National Perspective; Industrializing Housing)
- Number 2: Philippine-American Economic Relations; Who Owns the Media?; Multinationals — Lowering the Profile
- Number 3: Southeast Asia and U.S.-Japan Relations — 1940-1941
- Number 4: Australia in Indonesia; Poverty and Population
- Number 5: Last Tangle in Tibet; United Nations on Multinational Corporations
- Number 6: International Industrialists — Boss Talk; Navigating Berle; MNC Regulation

Volume V

- Number 1: ASEAN Integration; Oil Competition
- Number 2: Reflections on the Chilean Experience
- Number 3: Aluminum Cartel; Foreign Banks in California; Pertamina; Reviews: Southeast Asia's Economy and Pearl Harbor as History
- Number 4: Pacific Rimsters: The Cold War Again; How Big Are the Hearsts?; Producers Foil Aluminum Companies
- Number 5: Japan-US Bilateral Business Diplomacy; Review: Soviet American Confrontation
- Number 6: Politics of Korean Evangelism; Background on the Portuguese Coup; United Nations on Multinational Corporations (II)

Volume VI

- Number 1: Thai Airport Deal; AFL-CIA in Latin America; Index to First Five Volumes
- Number 2: Hawaii Faces the Pacific
- Number 3: State of the Empire; Payments Cost of Empire
- Number 4: IPR Was Big Business; Thailand's Sangha Has a Friend at Chase Manhattan
- Number 5: Asian Labor — The American Connection; Australia to Patrol Seas for US
- Number 6: Rich Mens' Clubs; Thai Fluorspar; Indonesian Electronics; Prensa Latina; Review: The Debt Trap

Volume VII

- Number 1: Arming Indonesia; Timor; America's Australia; Thai Guards Strike; Index to Volume Six
- Number 2: Freeport Mines Indonesian Copper; Natomas Oil; Malaysian Timber — Jengka; Reviews: Cambodian Food and Nixon Scandals
- Number 3: Indonesian Rice Policy; Lockheed in Indonesia; German Indochina War; MIR on Southern Cone; Reviews
- Number 4: Satellite Communications — Indonesia's Bitter Fruit; The US in Malaysia; Caltex-Pertamina Negotiations
- Number 5: Palm Oil — Asia's Other Oil; Shell Coal in Indonesia; Tying Down Thailand
- Number 6: Marcos and the World Bank

Volume VIII

- Number 1: Indonesia's Natural Gas; Gen. Sutowo's Legacy of Debt; Pertamina Update; Reviews: Main Currents in Modern American History
- Number 2: Military Situation in East Timor; Letter from Indonesia; Why "Prussians" Are "Traders"
- Number 3: Diego Garcia; Review: Mapoon Books
- Number 4: Oceania in the World System (Part I); Review: Rulers and Conspirators
- Number 5: Oceania (Part II); Review: Japan's Collision Course
- Number 6: Rubber in the World Economy; Review

Volume IX

- Number 1: Weyerhaeuser in Indonesia; Review — How the Other Half Dies
- Number 2: Fairchild Assembles an Asian Empire; Military Advisors Abroad
- Number 3-4: Philippines Export Manufacturing

Pacific Research is published four times a year. Subscriptions may begin with any past, present or future issue. Prices are for a two-year (8 issue) subscription only.

Prices are:

- ☐ \$10 individual
 - ☐ \$12 individual (foreign surface-mail)
 - ☐ \$22 institutional (domestic)
 - ☐ \$24 institutional (foreign surface-mail)
- (Airmail subscriptions can be arranged at cost.)

Back Issues:

- 60¢ each (\$1.80 to institutions)
- 30¢ each when ordering five or more copies of any single issue

I have enclosed \$ _____



I would like to subscribe to *Pacific Research* starting with: the next issue ☐ , or volume no. _____ issue no. _____

Please send me the following back issues of *Pacific Research* _____

Name _____

Address _____

City _____ State _____

Zip _____

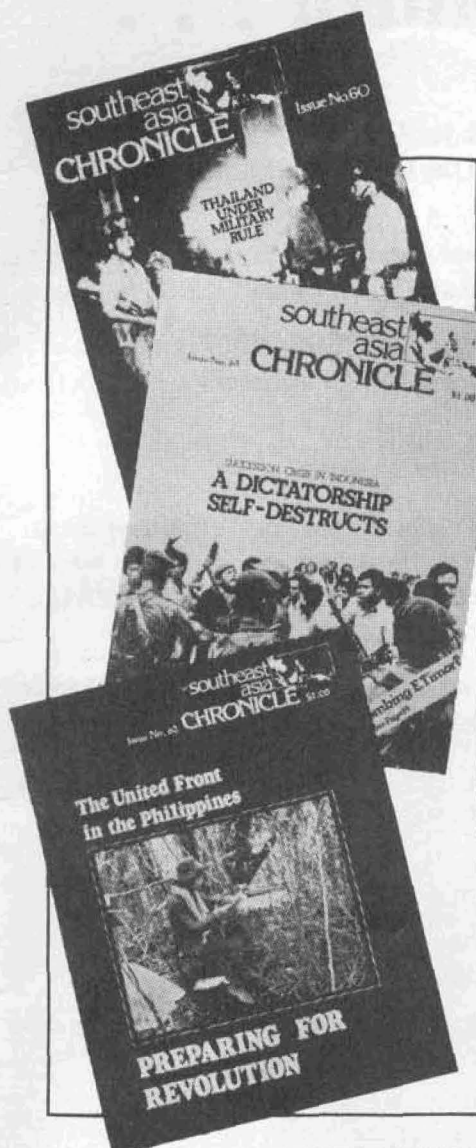
**pacific
Studies
Center**

867 W. Dana Street #204
Mountain View, Calif. 94041
(415) 969-1545

Southeast Asia Chronicle

Six times a year, the **Southeast Asia Chronicle** provides a thorough background and documentation for the events making headlines in Southeast Asia. It is also an inexpensive resource for classroom use. *Bulk prices:* 10 or more 40% off. 100 or more, 50% off. *Single copies* are \$1.25 each, including postage.

- Issue 66 **Changing Role of SE Asian Women** The impact of multinational corporate investment: working conditions, union organizing, and the effect of urbanization on family structure. Why international business prefers women workers. (Jan-Feb 1979)
- Issue 65 **The Economics of Authoritarianism** Theoretical and historical essays on the structure and ideology of the region's client states and repressive regimes. **Also:** Thailand's 125 year relationship with the West. (Nov-Dec 1978)
- Issue 64 **Vietnam-Kampuchea War** A complete historical study together with an analysis of the role the major powers are playing in the conflict. (Sept-Oct 1978)
- Issue 63 **Succession Crisis in Indonesia** Cornell University's Ben Anderson explains why Suharto's power base is crumbling. **Also:** Resistance in E. Timor, and Indonesia's new Student Movement. (July-Aug 1978)
- Issue 62 **United Front in the Philippines** Dr. Joel Rocamora examines the united resistance to martial law—and how the front achieved its unity. **Also:** the first publication of the Nat. Democratic Front's 10-Point Program. (May-June 1978)
- Issue 61 **Laos Recovers From America's War** Church activists report in detail from Vientiane on Laos' tremendous economic and political problems. (March-April 1978)
- Issue 60 **Thailand Under Military Rule** A close look at the Thai junta's programs, plus interviews with the new student guerillas who fled the junta's violence. **Also:** Thailand's place in current US strategy. (Jan-Feb 1978)
- Issue 58-59 **Human Rights in Southeast Asia** A comprehensive look at Thailand, the Philippines, Indonesia, Vietnam, and what is (and isn't) known about Kampuchea. (Dec 1977)
- Issue 56-57 **Vietnam: Rebuilding the South** An eyewitness account by Center staff. **Also:** A first-hand report from the US-Vietnam normalization talks. (July 1977)



southeast
asia
CHRONICLE

Subscribe.

Name _____

Organization _____

Address _____

SOUTHEAST ASIA RESOURCE CENTER
P.O. Box 4000-D
BERKELEY, CA 94704
(415) 548-2546

Issue No. 66

☐ PLEASE ENTER MY SUBSCRIPTION

\$8 regular
\$6 low income
\$10 foreign
\$15 foreign airmail
\$12 libraries, institutions

☐ NEW ☐ RENEWAL

REPRINTS OF ISSUE No. _____

☐ Single Copy \$1.25 ☐ Ten or more .65/ea.
☐ 100 or more .50/ea.
☐ PLEASE SEND A FREE CATALOG



"We hire girls because they are easier to control . . ."

Over one million S.E. Asian women now work for U.S. corporations, forming the central link in assembly lines that stretch from the U.S. to Asia and back again. Their salaries are as low as 80¢ a day.

"Our last winner of the company beauty contest spent \$40 on her evening gown, but she made so many slits to show her legs, that she can't wear the dress anymore."

New forms of personnel control which manipulate traditional concepts of femininity, passivity, and sexuality are now being implemented by American electronics companies in S.E. Asia.

"Hey grandma! How do you like your new glasses?"

Electronics workers in Hong Kong are called "grandma" after they reach the age of 25, since by this time they need eyeglasses. Asian women work in these factories only 3 to 4 years before they suffer severe eye damage. As a result, they often lose their jobs.

"Intel doesn't believe in unions, because we believe in finding out what workers want. Our company conducts a twice yearly attitude survey."

The corporate strategy in Asia is to divert independent worker organizing, and to prevent employees from attaining their legal rights even under the limited protection of S.E. Asian regimes.

The Changing Role of SE Asian Women offers a documented look at new corporate strategies for social control on the job, and the attempt to orient every facet of employees' lives around the company's plant. This is a first-hand report featuring interviews with women in Hong Kong, Malaysia, Indonesia, and the Philippines, who talk about the impact these policies have on their lives and about their efforts to resist them.

The Changing Role of SE Asian Women is a special joint issue of the *Southeast Asia Chronicle* and the *Pacific Research Bulletin*. It is an inexpensive resource for both organizing and classroom use.

PO BOX 4000D Berkeley, Calif. 94704 (415) 548-2546

southeast
asia
resource
center



Non-Profit Organization
PERMIT NO. 1213
U.S. POSTAGE PAID
Berkeley, California

PRINTED MATTER

ADDRESS CORRECTION REQUESTED.